

OFFICIAL TRANSCRIPT OF PROCEEDINGS BEFORE THE POSTAL RATE COMMISSION

In the Matter of:)
)
EXPERIMENTAL PERIODICALS) Docket No. MC2004-1
CO-PALLETIZATION DROPSHIP)
DISCOUNTS FOR HIGH EDITORIAL)
PUBLICATIONS, 2004)

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USPS-T-1

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

EXPERIMENTAL PERIODICALS
CO-PALLETIZATION DROPSHIP
DISCOUNTS FOR HIGH EDITORIAL
PUBLICATIONS, 2004

Docket No. MC2004-1

DIRECT TESTIMONY
OF
ALTAF H. TAUFIQUE
ON BEHALF OF
UNITED STATES POSTAL SERVICE

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AUTOBIOGRAPHICAL SKETCH

My name is Altaf H. Taufique. I currently serve as an economist in the office of Pricing at the United States Postal Service.

I have testified before the Postal Rate Commission on eight occasions. In Docket No. MC96-3, I filed rebuttal testimony that addressed the Postal Service's role in the post office box market, and other issues relating to pricing of post office boxes. In Docket No. MC97-5, I rebutted a claim of undue harm to Postal Service competitors due to the proposed packaging service. In Docket No. R97-1, my direct testimony presented the rate proposals for the Periodicals Regular and Within County subclasses, and my rebuttal testimony challenged a proposal to allocate institutional costs based on weighted attributable costs. My testimony in Docket No. MC99-3 addressed the issue of a rate anomaly affecting Nonprofit and Classroom Periodicals mailers. In Docket No. MC2000-1 presented the Postal Service's proposal for an experimental "Ride-Along" classification for Periodicals. I presented the rates for the newly established Outside County and Within County subclasses of Periodicals in Docket No. R2000-1. My testimony, in Docket No. R2001-1, once again presented the rates for the Periodicals Outside County and Within County subclasses. My latest testimony in Docket No. MC2002-3 proposed an experimental per-piece discount for co-palletized and dropshipped mail lacking density to make ADC pallets absent co-palletization.

Prior to joining the Postal Service in July 1996, I was employed by the Gulf States Utilities Company (GSU) in Beaumont, Texas, from 1980 to 1994. At GSU, I served as an economic analyst in the Corporate Planning department and

was subsequently promoted to Economist, Senior Economist and finally to the position of Director, Economic Analysis and Forecasting. My responsibilities at GSU included the preparation of the official energy, load, and short-term revenue forecasts, and the economic forecasts, for the regions served by the Company. I testified before the Public Utility Commission of Texas in Austin and the Federal Energy Regulatory Commission in Washington, D.C, defending GSU's official energy and load forecasts.

I received a Master's Degree in Economics from Central Missouri State University in Warrensburg, Missouri in 1976, and a Bachelor's degree in Economics & International Relations from Karachi University in Karachi, Pakistan. I have also completed thirty-three credit hours of coursework towards a Ph.D. in Economics at Southern Illinois University. I taught economics at Chadron State College in Chadron, Nebraska between 1978 and 1980. During my employment at GSU in Texas, I taught courses in economics at Lamar University in Port Arthur, Texas.

I. Purpose of Testimony

My testimony proposes an experimental classification change that will test the extent to which rate incentives will cause Periodicals mailers to co-palletize their mail (especially high-editorial, heavy weight, small circulation publications), and dropship it at either destination Area Distribution Centers (ADCs) or destination Sectional Center Facilities (SCFs).¹ This proposal is a logical extension of the current experimental per-piece discounts for co-palletized and dropshipped pieces (Docket No. MC2002-3). In many instances, high-editorial (editorial content is also referred to as non-advertising content), heavier weight, small publications do not find the current discounts attractive enough to change their behavior. The proposed experiment would provide per-pound discounts for editorial pounds in co-palletized and dropshipped mail, based on the entry points and zones skipped.

Similar to the current co-palletization discount, the proposed discounts would offer an incentive for predominantly new worksharing, so rate increases would not be needed to fund the lost revenue from existing activities. In addition, since cost savings estimates are derived from the Docket No. R2001-1 materials, as they were in Docket No. MC2002-3, no new cost studies are needed to support this proposal. I am presenting the only direct testimony, including one exhibit, in this filing. There are no library references or workpapers.

¹ While the Postal Service does not technically have Sectional Center Facilities anymore, this term is still used to refer to service areas for purposes of presorting and destination entry. See DMM § L005.

1 In conjunction with the proposed experimental classification change, I am
2 proposing to extend the current co-palletization experiment so that both
3 experiments expire at the same time. Finally, in a matter unrelated to the
4 experimental co-palletization proposal, I am proposing to add a minor Domestic
5 Mail Classification Schedule (DMCS) clarification to allow sample copies of
6 periodicals to be mailed with parcels using Package Services rates.

7 **II. Background/History**

8 9 **A. Current Co-palletization Experiment**

10
11 The current co-palletization experiment with per-piece discounts (Docket
12 No. MC2002-3) was implemented on April 20, 2003. As might be expected, the
13 program needed to "ramp up." During Accounting Period (AP) 9 of FY2003, only
14 one printer/consolidator participated, co-palletizing 16 titles and 384,000 pieces.
15 Approximately 382,000 of these pieces qualified for the destination ADC (DADC)
16 co-palletization discount of \$0.007 per-piece. Since that humble start in AP9, the
17 experiment has gathered steam and the number of pieces eligible for the co-
18 palletization discounts for both DADC and destination SCF (DSCF) dropshipment
19 has increased almost every month. The last report filed with the Postal Rate
20 Commission (See www.prc.gov under Docket No. MC2002-3) in November 2003
21 shows over 9 million co-palletized pieces with a corresponding removal of over
22 180,000 sacks from postal operations.

23 We expect additional publications and printers/consolidators to participate
24 in the existing experiment, and at this point in time believe that this experiment

1 will lead to its desired results: better preparation and deeper penetration of
2 Periodicals mail into the postal system.

3 **B. Current Experiment - Not a Panacea**

4 In Docket No. MC2002-3, I testified that mailers make economic decisions
5 to palletize and dropship their mail based on (1) whether the mail volume and
6 density justify preparing pallets of 250 pounds (the minimum required weight),
7 and (2) whether the rate incentives and service benefits available make
8 dropshipping to a destination facility practical. Regarding density, many smaller
9 publications, along with the less dense portion of larger publications, cannot
10 achieve the minimum density required to palletize. I explained that one way to
11 increase mail density is to combine different publications on a pallet. Co-
12 palletization combines bundles of different publications going to the same
13 destination facility on the same pallet. MC2002-3, USPS-T-1, at 3.

14 The rate differential between dropshipped and non-dropshipped mail is of
15 utmost importance as an incentive to dropship the mail to a destination facility. If
16 the postage for destination entry is significantly lower than the postage for non-
17 dropshipped mail, then mailers may find it attractive to provide their own
18 transportation rather than purchasing it from the Postal Service.

19 Regardless of the merits of the flat editorial pound rate as a tool to
20 encourage widespread dissemination of information, both the proponents and
21 opponents of this flat rate would agree that it does not provide any incentive to
22 dropship mail with a high percent of editorial content. In the current rate
23 structure, the editorial pound rate is flat, so, to a large degree, dropshipping rate

1 differentials are a function of advertising content. Dropshipping incentives are
2 limited to per-piece discounts, along with per-pound incentives for the advertising
3 portion of a publication (to the degree that there is advertising content). The
4 higher the advertising content, the greater is the “dropship” to “non-dropship”
5 postage differential.

6 Thus, if we were to compare two small periodicals’ mailings that are
7 identical in all respects except advertising content, we would find that current co-
8 palletization incentives are much lower for the high-editorial publications. A small
9 national publication with a typical pound distribution to zones (based on the
10 profile of 49 small publications prepared in sacks), copy weight of 9 ounces, and
11 75 percent advertising content, pays approximately 50 cents per piece in
12 postage. A publication that is similar in all respects except advertising content
13 (zero percent advertising content) would pay 36 cents in postage. If these
14 publications decided to use the current co-palletization incentive, along with all
15 other available Periodicals incentives, to palletize and dropship their mail to the
16 destination ADC, the high advertising publication would pay 40 cents per piece in
17 postage, a reduction of 10 cents per piece. The high editorial content publication
18 would pay 34 cents, a reduction of only 2 cents. Thus, for “low” to “no”
19 advertising publications, the current co-palletization experiment falls short.

20 Under the proposed discounts for editorial pounds, the same high editorial
21 magazine would pay 31 cents, a 5 cent reduction from the original postage of 36
22 cents per-piece. This would be a reasonable incentive to move towards co-

1 palletization and dropshipment. (See worksheets '75% Ad.' and '0% Ad.' in
2 Exhibit A for the quantitative presentation of this example).

4 **C. Rationale for Proposal**

5 As discussed in the earlier example, the current per-piece incentives,
6 though successful with average publications, do not have a sufficient impact on
7 high-editorial publications. As previously described, the current rate structure for
8 Periodicals includes some incentives for mailers to prepare their mail in an
9 efficient fashion and to enter it closer to destination. Current experimental co-
10 palletization incentives work through "sweetening the pot a bit" by offering
11 additional per-piece incentives when mailers go through the extra step of
12 combining their mailings to build pallets and enter the mail deeper into the postal
13 system. Publications with little or no advertising are left out, especially if they
14 have heavier copy weights and lack the density to make single-publication
15 pallets. That is because the important weight ingredient of the "sweetener" is not
16 available for them. The challenge for the Postal Service is to find a middle
17 ground between leaving these publications in sacks, and proposing a more
18 fundamental change in the current rate structure at this time. The classification
19 proposal in this docket is the Postal Service's attempt to strike this balance.

20 The goal of this filing is to provide an incentive, using the editorial pound
21 structure, for eligible publications to co-palletize and dropship their mail. Even
22 when the first request for the experimental discounts for co-palletization and
23 dropshipment was filed in Docket No. MC2002-3, the Postal Service was aware

1 that this would not move all Periodicals mail from sacks to pallets, nor gain
2 greater dropshipping of all publications. This became evident when the Postal
3 Service was approached by a printer and a consolidator prior to the
4 implementation of the current experimental classification. The printer in question
5 had a substantial number of short-run publications with low advertising, heavy
6 copy weight, and national circulation. Most of these publications were prepared in
7 sacks and entered at the origin plant where the mailings are printed. This printer,
8 with the help of a consolidator, wanted to participate in co-palletization and
9 dropshipment as proposed in the current experiment, but was not able to do so
10 due to the high-editorial content of the publications and the subsequent lack of
11 postage savings, as discussed earlier in my testimony.

12 Using data reflecting typical characteristics for high editorial, heavy-weight
13 publications, I considered a couple of rate discount designs. A flat pound
14 incentive applicable to the total weight of the piece would not provide an accurate
15 signal, as it would either overcompensate local publications, or undercompensate
16 publications that needed to go relatively long distances. We concluded that the
17 only rate design solution that appeared to provide a fair, equitable, and adequate
18 incentive would involve discounts that applied to editorial pounds based on the
19 cost savings that the Postal Service would realize as a result of dropshipping and
20 skipping zones; that is, the discounts would reflect the difference between the
21 original zone for the mail if entered at the origin mailer's plant in sacks and the
22 DADC or DSCF entry point resulting from co-palletization and dropshipment.

23

III. Application of Proposed Discounts

A. General Description

In addition to meeting all the requirements of the current co-palletization experimental classification, the proposed discounts would apply exclusively to publications with the following characteristics:

- a. Advertising content of 15 percent or less;
- b. Copy weight of 9 ounces or more; and
- c. Mailed circulation of 75,000 pieces or less (including all editions, issues and supplemental mailings).

These criteria were established to meet the objectives of the experiment that I am proposing. The primary objective is to promote the co-palletization and dropshipping of heavier weight, low-advertising content, small circulation publications. These proposed characteristics are designed to limit the experiment to those publications most in need of an alternative discount structure.

The proposed discounts would apply to co-palletized bundles of Periodicals mail that remain intact (the same bundles before and after co-palletization), that move from sacks (absent co-palletization) to pallets presorted to the ADC or SCF, and that are entered at the appropriate destination facility. A publication that would otherwise be prepared in sacks, because it cannot meet the required 250-pound minimum for an ADC pallet at the bindery, would qualify for the proposed discount, if it were co-palletized with other publications on an ADC or SCF pallet, and dropshipped to either the destination ADC or SCF.

1 Residual mail from a qualifying publication that remained after pallets were
2 prepared, would also qualify for the proposed discounts, as long as it was co-
3 palletized and dropshipped (e.g., less than 250 pounds of mail remaining for an
4 ADC, after SCF pallets are prepared for the ZIP Codes in that ADC service area).
5 The consolidator/mailler could preserve originally presorted mail for a single
6 publication on 5-Digit, 3-Digit (optional), SCF, and ADC pallets of 250 or more
7 pounds, but this mail would not qualify for the co-palletization incentives. Mailers
8 could build upon originally presorted SCF and ADC pallets, but only the co-
9 palletized pieces with less than 250 pounds per title or version would qualify for
10 the co-palletization incentives proposed in this experiment, if the pieces were
11 independently presorted for each ADC destination. Multiple versions or titles that
12 are presorted together into bundles through a selective binding operation would
13 qualify, if, as a result of co-palletization, the presorted bundles were to move from
14 sacks to pallets, be dropshipped, and meet the other prerequisites for the
15 discounts.

16 Other dropship and palletization incentives available in the current rate
17 schedule would apply to all pieces based on their eligibility (e.g., all dropship
18 discounts and the \$0.015 dropship pallet discounts for pieces on pallets of 250 or
19 more pounds that are dropshipped to DADCs or DSCFs). The only exceptions
20 would be the experimental Periodicals co-palletization and dropship discounts of
21 \$.01 and \$0.007 per piece. These would not apply to bundles using the proposed
22 per-pound discounts. In other words, mailers could claim either the per-piece or
23 per-editorial-pound experimental discounts, but could not claim both for the same

1 mail pieces. However, mailers might claim the experimental per-piece discount
2 for some bundles and per-pound discounts for some other bundles on the same
3 pallet if they were authorized to participate in the co-palletization experiments.
4 Supplemental mailings (e.g., back issues not part of the mailing of the current
5 issue) meeting the circulation requirement discussed above (i.e., total mailed
6 circulation not exceeding 75,000 copies including supplemental mailings,
7 prepared after, and separate from, the original mailing) would be treated as
8 separate mailings and would have to meet the same requirements for pieces to
9 be eligible for the additional incentives (for co-palletization/dropshipment). That
10 is, for the supplemental mailing, only pieces that could not have been prepared
11 on destination ADC pallets of 250 or more pounds under the original presort
12 before co-palletization would be eligible for the co-palletization incentives.

13 The Postal Service proposes to offer the co-palletization incentive to mail
14 prepared either on ADC or SCF pallets of 250 or more pounds. While mailers will
15 be expected to prepare pallets of at least 250 pounds, the Postal Service
16 recognizes the difficulty in always accurately predicting co-palletized volumes
17 and will allow mailers to claim the new discount for dropshipped pallets weighing
18 less than 250 pounds. It is expected that such pallets will represent an
19 insignificant portion of co-palletized mailings. Less than 250-pound pallets
20 (except overflow pallets) would not be eligible for the existing pallet discounts
21 (e.g., \$0.015 for dropshipped mail on pallets of 250 or more pounds).

22 I do not expect sufficient volumes to create finer levels of co-palletized
23 pallets, and I, therefore, am not proposing to offer additional incentives for this

1 experiment, beyond the DSCF entry level. To limit the scope of the experiment
2 and simplify administration, any mail that is co-palletized on 5-Digit or 3-Digit
3 pallets would not be entitled to the proposed co-palletization incentives.

4 **B. Waiving of “Finest-Level” Requirement**

5 In preparing a co-palletized mailing, mailers/consolidators cannot easily
6 predict co-palletized volumes for each destination. Therefore, during the
7 experiment, co-palletized mail would not be required to be placed on the finest
8 level pallet possible. For example, even if a co-palletized ADC pallet were to
9 contain more than 500 pounds to a particular SCF, an SCF pallet would not be
10 required. Mailers/consolidators would be encouraged to periodically re-evaluate
11 mail volumes for each ADC destination to determine whether additional SCF
12 pallets could be created on a regular basis.

13 **C. Documentation**

14 The consolidator/mailer will provide documentation (e.g., Mail.dat files that
15 can be printed, if necessary) only for the mail that is co-palletized, both before
16 and after co-palletization. To substantiate that mail would have been prepared in
17 sacks, the “before” documentation must be in Mail.dat or similar files that permit
18 easy identification of mailings (e.g., by job ID, segment ID, and container)
19 included in the co-palletization program, separate from mailings that are not
20 included in the program. The “after” documentation must identify publications or
21 segments with 250 or more pounds on a pallet (mail that does not qualify for
22 added co-palletization incentives), and publications or segments with less than
23 250 pounds remaining for an ADC, that do qualify for the new incentives.

1 Documentation would be by title and version, segment, or edition, or by codes
2 representing each title and version, segment, or edition. The consolidator/mailler
3 would develop a new file (e.g., Mail.dat) for the mail after co-palletization showing
4 how the mail was presorted and where it was entered. Data in the "after co-
5 palletization" files would be prepared so that they could be easily reconciled with
6 the "before" Mail.dat files, to validate that proper postage has been paid for all
7 pieces (e.g., the same job IDs and mailing segment IDs appear in "before"
8 Mail.dat files and "after" documentation.

9 The primary goal of this documentation would be to substantiate that,
10 without co-palletization, the mail would have been prepared in sacks (i.e., ADC
11 pallets of 250 or more pounds for any individual title, independently presorted
12 version, or selectively bound pool, could not have been made).

13 In addition to the above, for each title and version for which the per-pound
14 discount is claimed, the mailer would have to provide a detailed listing
15 documenting the distribution of total advertising and editorial pounds to each
16 zone "before" co-palletization, based on origin entry of the mail at the plant where
17 it is printed and presorted into bundles ready for co-palletization and mailing
18 (e.g., a modified version of the "before" postage statement showing the zoned
19 distribution of total copies, total pounds, and advertising pounds, if any, plus an
20 added column showing editorial pounds). This listing would be provided for all
21 publications claiming the discount, including publications with no advertising
22 content. The mailer would also provide a detailed listing that shows the total
23 editorial weight and experimental per-pound discount claimed for each title and

version by zone, based on the original zones reported on the zone listing “before” co-palletization. For example, for 210 editorial pounds of mail that would have been entered in Zone 3, if entered in sacks at the origin mailer’s plant, the “after” documentation might show for Zone 3: 120 editorial pounds qualifying for the DADC per-pound discount and 90 pounds qualifying for the DSCF per-pound rate.

The Postal Service would retain the right to disallow any documentation showing a change in the office of origin entry, if the physical printing of the title has not moved to a different location.

IV. Development of Discount

A. General Description

Generally, the methodology used in this proposal is very similar to the one used in Docket No. MC2002-3, but there are some exceptions. In Docket No. MC2002-3, the Zones 1 & 2 rate was used as a benchmark to derive the transportation and non-transportation cost savings from dropshipping to the destination ADC or SCF. MC2002-3, USPS-T-1, at 11. In the current proposal, all the zone rates are used to calculate the cost differential to the destination ADC and SCF. In Docket No. MC2002-3 the per-pound cost savings were converted to a per-piece basis, using both the average editorial content and average weight of the piece. *Id.* In this proposal the savings are directly applied to editorial pounds based on the zones skipped from the original mailer’s plant when the mail is entered at either the destination ADC or SCF.

The proposed discounts in Table 1 are applicable just to editorial pounds of the co-palletized mail prepared on an ADC or SCF pallet and entered at the destination ADC and SCF. The discounts vary by the zones skipped as a result of this preparation improvement and dropshipment of mail. For example, if, as a result of co-palletization, 10,000 pounds of editorial material were entered at the destination ADC instead of origin (defined as the postal facility that serves the plant where the mail is printed and presorted into packages before co-palletization), and that origin were six zones away from the destination delivery address, then the value of the discount would be $\$0.073 \times 10,000$, or \$730.

TABLE 1

Original Zone	DADC	DSCF
Zones 1 & 2	\$.008	\$.014
Zone 3	\$.013	\$.019
Zone 4	\$.028	\$.034
Zone 5	\$.050	\$.056
Zone 6	\$.073	\$.079
Zone 7	\$.101	\$.107
Zone 8	\$.125	\$.131

These discounts would be added to all the existing discounts for palletized and dropshipped mail in the current rate chart (but would be instead of the per-piece co-palletization discounts resulting from Docket No. MC2002-3).

1 The discounts were developed using advertising pound rates
2 recommended by the Commission and approved by the Governors in the last
3 rate case. I did not separately analyze potential cost savings, because the
4 differences between the zoned advertising pound rates reflect all pound-related
5 transportation and non-transportation cost savings that accrue to the Postal
6 Service when mail is entered closer to its destination.² This assumption reflects
7 the rate design I proposed in Docket No. R2001-1. MC2002-3, USPS-T-1, at 10.
8 The assumption also applies to the current advertising pound rates agreed upon
9 in the negotiated settlement and recommended by the Commission in Docket No.
10 R2001-1. The settlement pound rates are based on the same methodology as
11 the rates I proposed, with the simple substitution of a uniform rate for editorial
12 pounds.

13 The existing rate structure allows the mailer of advertising pounds to make
14 an economic decision regarding dropshipping based on the existing advertising
15 pound rate differentials. Thus, no additional per-pound incentive for advertising
16 pounds is needed to reflect the related transportation costs. On the other hand,
17 editorial pounds pay a uniform rate regardless of the entry point. This uniform
18 rate does not reflect the savings generated by dropshipping. Therefore, the cost
19 savings for editorial pounds constitute the basis for the development of the
20 proposed incentives.

² Advertising pound rates are calculated by allocating distance-related transportation cost to various zones using pound-miles (the product of advertising pounds and average haul in miles for each zone). Further, the pound-related portion of non-transportation cost savings is fully passed through to estimate the destination entry advertising pound rates.

1 The Postal Service is proposing a two-year experimental classification to
2 allow high-editorial, heavier weight, small circulation publications to receive the
3 proposed discounts on editorial pounds for pieces that are co-palletized and
4 dropshipped, and meet all required conditions. The two year period would allow
5 the Postal Service to gauge the attractiveness of such a change in the discount
6 structure as well as the level of discounts compared to the workshare required.
7 Also, we are requesting that the Commission extend the current co-palletization
8 experiment so that both of these experiments conclude at the same time. It is
9 hoped that any future classification or structural change in the rate schedule
10 would address both experiments together. The proposed classification language
11 would also allow both experiments to continue until a proposal for a permanent
12 discount is resolved, if that proposal is filed before the end of the two year period.

13 **B. Methodology**

14 Using the zoned advertising pound rates, I estimate the cost savings that
15 result from dropshipping editorial pounds from the various zones to both the
16 DADC and DSCF. Thus, a pound of mail entered at the destination SCF,
17 compared to a pound entered in Zone 5, would save the Postal Service 18.6
18 cents (38.9 cents minus 20.3 cents) in transportation and non-transportation
19 costs. Applying a 30 percent passthrough produces a discount of 5.6 cents per
20 editorial pound for pieces that are co-palletized and dropshipped at the
21 destination SCF. Similarly, for the destination ADC the cost savings are 16.6
22 cents (38.9 cents minus 22.3 cents) per pound. Applying, once again, a 30
23 percent passthrough results in the proposed 5.0 cents per editorial pound

1 discount for co-palletized and dropshipped pieces that shift from zone 5 to
2 destination ADC entry. Discounts for all the zones are calculated in a similar
3 fashion for dropshipment to destination ADCs and SCFs. These calculations,
4 including the unrounded numbers actually used, are presented in Exhibit A.

5 **C. Rationale for Conservative Approach**

6 The Postal Service has deliberately chosen a conservative approach in
7 developing these discounts. This approach was motivated by three goals. The
8 first goal is to assure that there is no erosion of the low subclass markup due to
9 this classification change. The second goal is to provide sufficient incentive for
10 *high-editorial publications to participate in co-palletization programs*. Because of
11 this second goal, I based the discounts on zones skipped. This structure provides
12 a fair and equitable way to provide discounts based on the actual worksharing.
13 The third goal is to ensure that non-participants not only avoid any rate
14 increases, but also receive the benefit of substantial additional cost reductions
15 that may accrue to Periodicals resulting from the proposed discounts.

16 Finally, my conservative (30 percent) passthrough reflects the application
17 of the discount to an editorial pound rate that is already low. The 19.3 cent rate
18 charged for editorial pounds is based on the percent of revenue derived from
19 editorial pounds in the base year of Docket No. R2001-1, and is approximately
20 78 percent of the Zones 1 & 2 advertising pound rate. This rate is not designed to
21 reflect the cost of transporting editorial pounds. Using a 100 percent passthrough
22 of the cost savings would mean providing discount levels that are inappropriately
23 high relative to the base rate.

1 **V. Designation as Experimental**

2
3 **A. Objectives of Experiment**

4
5 The objective of this experiment is twofold. The first objective is to gauge
6 the feasibility of using a discount to change the behavior of publications that are
7 not able to use the current experimental classification for co-palletizing and
8 dropshipping mail. The experiment would allow testing, on a limited basis, of
9 whether we can adequately administer a destination-entry discount based on the
10 number of zones skipped. The second objective is to provide an incentive to
11 reduce the number of sacks and get mail entered at specific destination facilities.

12 **B. Compliance with Section 3001.67**

13
14 **1. Novel in Nature**

15 My testimony in Docket No. MC2002-3 regarding the novelty of the
16 experimental classification applies to my current proposal as well:

17 Providing a worksharing discount, per se, is not novel, but a
18 discount that predominantly applies to new worksharing and does
19 not require a push-up of other rates is unusual in the ratemaking
20 context. This classification targets mail that is otherwise prepared in
21 sacks, that is expensive for mailers to prepare and the Postal
22 Service to handle, and that is almost always origin entered. The
23 proposal is also novel because it focuses on a worksharing
24 discount for less dense publications, and provides an incentive for
25 publishers and printers to cooperate in a fashion that benefits both
26 mailers and the Postal Service.

27
28 MC2002-3, USPS-T-1 at 13-14.

29
30 In addition, the current proposal uses a discount structure that focuses on
31 editorial pounds, and calculates the postage using not only the destination where
32 the mail is entered, but also where the mail would be entered in the absence of
33 this co-palletization and dropshipment.

2. Magnitude of the Proposed Change

I believe that the proposed incentives, combined with the existing dropship and palletization incentives, may produce a significant, though limited, reduction in the number of sacks in Periodicals mailings, and lead to a greater portion of Outside County periodicals being entered at either the destination SCF or ADC.

Given the advertising, circulation, and copy weight limits, we estimate that approximately 20 million pieces per year would be able to take advantage of these experimental discounts, removing over 400,000 sacks from postal operations (assuming 49 pieces per sack derived from the last report filed with the Postal Rate Commission in November 2003 - See www.prc.gov under Docket No. MC2002-3). Additionally, I believe that some printers, if they are able to co-palletize their high-editorial publications, would choose to eliminate all sacking operations from their plants. Therefore, they would co-palletize all of their publications, including low-editorial publications. Some publications that may not be eligible for the proposed discounts thus would qualify for the existing co-palletization discounts. This would increase the volume for the current experiment.

Cost savings are expected to be greater than the estimated revenue leakage, using the conservative passthroughs underlying the discounts. Additional cost savings could accrue due to palletization alone (slightly more than 0.5 cents per piece).

3. Data Collection

The following is a description of the Postal Service's data collection plan for the proposed experiment. The purpose of the data collection is to provide a measure of the experiment's effectiveness, and the data necessary to prepare any request for a related permanent classification change. This plan has been designed to collect data required by the Commission's Rules 64 and 54, and data desired for postal management's evaluation of the proposed discounts.

First, the Postal Service proposes to collect the data that would be reported in the RPW system, that is, the editorial pounds shifting from the various zones to destination ADCs and SCFs.

Second, the Postal Service plans to obtain data from the experiment's participants using a spreadsheet similar to the one being used in the current experiment. Using these data, the Postal Service plans to report the following data:

- number of pieces receiving the ADC discount
- number of pieces receiving the SCF discount
- number of titles receiving one or both of the co-palletization discounts
- number of containers that would have been sacks without consolidation, as well as their weight and the number of addressed pieces
- number of sacks after consolidation, as well as their weight and the number of addressed pieces
- number of pallets qualifying for the ADC discount, as well as their weight and the number of addressed pieces

- number of pallets qualifying for the SCF discount, as well as their weight and the number of addressed pieces
- editorial and total pounds shifting to destination ADCs from the various zones.
- editorial and total pounds shifting to destination SCFs from the various zones.

These reports will be filed with the Commission on a schedule matching Postal Service fiscal year quarters. The first report will cover the first two quarters during which the experiment is in effect, although the timing might be adjusted so that the reporting schedule can match the schedule for the existing co-palletization experiment. This first report might be for less or more than two full quarters if the experiment begins in the middle of a quarter. Subsequent reports will cover two full quarters for the duration of the experiment. Reporting data every six months will reduce unnecessary paper flow, while still providing regular and up-to-date information on the progress of the experiment. The Postal Service anticipates that collection of the data and preparation of each report will take between six and eight weeks, following the end of a reporting period.

21

22 **VI. Classification Criteria**

23

24 Section 3623(c) of Title 39 U.S.C. requires the Commission to make its
25 decision on establishing a new classification in accordance with the following
26 factors:

1. the establishment and maintenance of a fair and equitable classification system for all mail;

29

2. the relative value to the people of the kinds of mail matter entered into the postal system and the desirability and justification for special classifications and services of mail;
3. the importance of providing classifications with extremely high degrees of reliability and speed of delivery;
4. the importance of providing classifications which do not require an extremely high degree of reliability and speed of delivery;
5. the desirability of special classifications from the point of view of both the user and of the Postal Service; and
6. such other factors as the Commission may deem appropriate.

I believe that the proposed classification is fair and equitable (criterion 1)

in a comprehensive sense, because it improves the preparation of mail for the whole class, and increases dropshipment, thereby reducing costs. Additionally, it does not adversely affect the non-participants. Superficially, an argument could be made that the Postal Service is offering a discount on only some of the mail that is palletized and dropshipped to destination facilities. There is a significant volume of palletized and dropshipped mail that would not qualify for the proposed discount. However, the proposed classification change provides incentives for mailers that physically cannot palletize and, because of high-editorial content, are not able to dropship.

My understanding is that preparing mail on pallets, and dropshipping it at a destination facility, is often not a matter of choice, especially if the publication contains little or no advertising. A mailer with limited mail density does not have enough volume for specific destinations, even for an ADC, the broadest destination category for dropshipping Periodicals. Absent co-palletization, these

1 mailers would have no choice but to sack their mail. In fact, my understanding is
2 that preparing mail in sacks is an expensive proposition for the mailer. For the
3 Postal Service, transporting this mail across the country is also costly. Handling
4 of sacks with relatively few pieces requires more work both in transit and at the
5 destination facility, leading to higher costs for Periodicals. By offering this
6 discount exclusively to the publications or portions of publications that do not
7 have the density to make a 250-pound ADC pallet and have zero to little
8 advertising matter, the Postal Service would be making the mail processing for
9 the subclass more efficient, and, thereby, reducing total costs. Thus this
10 classification would benefit all Periodicals mailers.

11 Also, the mailers of publications that do not have the density to make a
12 250-pound ADC pallet will incur additional costs when combining their mail with
13 other similar publications. Besides the additional costs of space, transportation,
14 sortation, and documentation that are mentioned earlier, these publications also
15 might sacrifice some delivery time because the mail is held back for a day or
16 more while being co-palletized. Thus, these mailers may need an additional
17 discount to reach the same level of worksharing as other mailers.

18 In summary, criterion 1 (fairness and equity) would be satisfied, because
19 this proposed classification change would benefit the entire Periodicals Outside
20 County subclass with the prospect of reduced postage costs for participants and
21 improved overall efficiency of the subclass, which benefits nonparticipants. It
22 would provide an incentive to the mailers who currently cannot palletize and
23 dropship on their own due to the nature of their mail. An economic incentive

would encourage them to cooperate with other printers and publishers. The benefit received would be less than the postal cost saved, and those who are currently performing these worksharing tasks would not be harmed.

Criterion 2 (the relative value to the people of the kinds of mail matter entered into the postal system and the desirability and justification for special classifications and services of mail) would be satisfied in several ways. The discounts would promote the distribution of Periodicals mail with high educational, cultural, scientific, and informational (ECSI) value, given the requirement for 85 percent or more editorial content. Mailers would be compensated for their co-palletization and dropshipment worksharing. Costs from origin-entered sacks could be reduced. Overall, this proposal would help the mail remain affordable for the recipient, and help maintain the widespread dissemination of editorial matter.

Criterion 5 (the desirability of special classifications from the point of view of both the user and of the Postal Service) would be satisfied because the Postal Service's costs are reduced, and we expect mailers to gain from the success of this proposed experimental classification.

In summary, the proposed experimental classification meets all the applicable criteria.

VII. Enclosing Periodicals in Package Services

Although not directly related to the co-palletization experiments, I am proposing a minor change to the DMCS regarding what can be enclosed in a

1 piece mailed as Package Services mail. Currently, Section 511(b) of the DMCS
 2 states that any mailable matter may be mailed as Package Service mail except:

3 Copies of a publication that is entered as Periodicals class mail,
 4 except copies sent by a printer to a publisher, and except copies
 5 that would have traveled at the former second-class transient rate.
 6 (The transient rate applied to individual copies of second-class mail
 7 (currently Periodicals class mail) forwarded and mailed by the
 8 public, as well as to certain sample copies mailed by publishers.)
 9

10 Even though this section refers to “sample copies”, it has been interpreted
 11 as disallowing the enclosure of a sample copy of a publication that is also being
 12 mailed as Periodicals class mail. The current language is linked to the former
 13 “transient rate” and is too narrow to allow the simple inclusion of a sample copy
 14 for promotional purposes, or as a premium for purchasing a product that is being
 15 shipped via Package Services. The proposed revision breaks the passage cited
 16 above into two subparts, and adds a third subpart that allows:

17 sample copies enclosed or attached with merchandise sent at
 18 Parcel Post or Bound Printed Matter rates.
 19

20 Although this modification is not a major classification change, it is
 21 advisable to note that it is consistent with the relevant factors listed in Section
 22 3623(c) of Title 39.³ It is “fair and equitable” (criterion 1) in that it does not
 23 adversely affect any existing classifications since existing regulations regarding
 24 eligibility (such as the subscriber percentage) for Periodicals rates are not
 25 changed. Also, it does not change the relative value of Parcel Post or Bound
 26 Printed Matter. Most importantly, the modification is consistent with criterion 5 in

³ See section VI. for a listing of the factors.

- 1 that it is desirable from the point of view of both the user and the Postal Service.
- 2 In addition to the general improvement in the clarity of the classification schedule,
- 3 as a practical matter it provides another avenue for promoting publications. This,
- 4 of course, helps customers (and printers and advertisers, too) if it results in
- 5 added subscriptions.

EXHIBIT A

Calculation of Discounts and Revenue/Cost Impacts

CALCULATION OF DISCOUNTS AND COST/REVENUE IMPACTS

Exhibit A Page 1 of 10

Advertising Pound Rates

Zone	Rate
DDU	\$ 0.158
DSCF	\$ 0.203
DADC	\$ 0.223
Zones 1 & 2	\$ 0.248
Zone 3	\$ 0.267
Zone 4	\$ 0.315
Zone 5	\$ 0.389
Zone 6	\$ 0.466
Zone 7	\$ 0.559
Zone 8	\$ 0.638

Zone differential From :

	DADC	DSCF
Zones 1 & 2	\$ 0.025	\$ 0.045
Zone 3	\$ 0.044	\$ 0.064
Zone 4	\$ 0.092	\$ 0.112
Zone 5	\$ 0.166	\$ 0.186
Zone 6	\$ 0.243	\$ 0.263
Zone 7	\$ 0.336	\$ 0.356
Zone 8	\$ 0.415	\$ 0.435

Pass-through		30%
--------------	--	-----

Discounts applicable to editorial pounds

	DADC	DSCF
Zones 1 & 2	\$ 0.008	\$ 0.014
Zone 3	\$ 0.013	\$ 0.019
Zone 4	\$ 0.028	\$ 0.034
Zone 5	\$ 0.050	\$ 0.056
Zone 6	\$ 0.073	\$ 0.079
Zone 7	\$ 0.101	\$ 0.107
Zone 8	\$ 0.125	\$ 0.131

Total Piece Qualifying	20,000,000	
Pieces Qualifying for ADC entry	18,000,000	90%
Pieces Qualifying for SCF entry	2,000,000	10%
SCF Revenue Leakage		
Pieces	2,000,000	
Weight per Piece	0.594	
Total Weight	1,187,500	
Advertising Content	0.05	
Editorial Content	0.95	
Editorial Weight	1,128,125	

Calculation of Revenue Leakage

	Editorial Pounds	Dist.	Discounts	Revenue Leakage
Zones 1 & 2	215,538	19.1%	\$ 0.014	\$ 3,018
Zone 3	166,437	14.8%	\$ 0.019	\$ 3,162
Zone 4	177,933	15.8%	\$ 0.034	\$ 6,050
Zone 5	214,410	19.0%	\$ 0.056	\$ 12,007
Zone 6	105,407	9.3%	\$ 0.079	\$ 8,327
Zone 7	50,784	4.5%	\$ 0.107	\$ 5,434
Zone 8	197,616	17.5%	\$ 0.131	\$ 25,888
Total	1,128,125			\$ 63,885

Calculation of Cost Savings

	Editorial Pounds	Zone Differential	Cost Savings
Zones 1 & 2	215,538	\$ 0.045	\$ 9,699
Zone 3	166,437	\$ 0.064	\$ 10,652
Zone 4	177,933	\$ 0.112	\$ 19,928
Zone 5	214,410	\$ 0.186	\$ 39,880
Zone 6	105,407	\$ 0.263	\$ 27,722
Zone 7	50,784	\$ 0.356	\$ 18,079
Zone 8	197,616	\$ 0.435	\$ 85,963
Total			\$ 211,924

Total Piece Qualifying	20,000,000	
Pieces Qualifying for ADC entry	18,000,000	90%
Pieces Qualifying for SCF entry	2,000,000	10%
ADC Revenue Leakage		
Pieces	18,000,000	
Weight per Piece	0.594	
Total Weight	10,687,500	
Advertising Content	0.05	
Editorial Content	0.95	
Editorial Weight	10,153,125	

Calculation of Revenue Leakage

	Editorial Pounds	Dist.	Discounts	Revenue Leakage
Zones 1 & 2	1,939,843	19.1%	\$ 0.008	\$ 15,519
Zone 3	1,497,930	14.8%	\$ 0.013	\$ 19,473
Zone 4	1,601,397	15.8%	\$ 0.028	\$ 44,839
Zone 5	1,929,691	19.0%	\$ 0.050	\$ 96,485
Zone 6	948,662	9.3%	\$ 0.073	\$ 69,252
Zone 7	457,058	4.5%	\$ 0.101	\$ 46,163
Zone 8	1,778,544	17.5%	\$ 0.125	\$ 222,318
Total	10,153,125			\$ 514,049

Calculation of Cost Savings

	Editorial Pounds	Zone Differential	Cost Savings
Zones 1 & 2	1,939,843	\$ 0.025	\$ 48,496
Zone 3	1,497,930	\$ 0.044	\$ 65,909
Zone 4	1,601,397	\$ 0.092	\$ 147,329
Zone 5	1,929,691	\$ 0.166	\$ 320,329
Zone 6	948,662	\$ 0.243	\$ 230,525
Zone 7	457,058	\$ 0.336	\$ 153,572
Zone 8	1,778,544	\$ 0.415	\$ 738,096
Total			\$ 1,704,255

Pieces 65,000
 Weight 0.5625
 Advertising 75%
 Editorial 25%
 Total Pounds 36,563

	Distribution	Pieces	Editorial Pounds	Advertising Pounds	Rates	Postage
Zone 1 & 2	19.1%	12,419	1,746	5,239	\$ 0.248	\$ 1,299
Zone 3	14.8%	9,590	1,349	4,046	\$ 0.267	\$ 1,080
Zone 4	15.8%	10,252	1,442	4,325	\$ 0.315	\$ 1,362
Zone 5	19.0%	12,354	1,737	5,212	\$ 0.389	\$ 2,027
Zone 6	9.3%	6,073	854	2,562	\$ 0.466	\$ 1,194
Zone 7	4.5%	2,926	411	1,234	\$ 0.559	\$ 690
Zone 8	17.5%	11,386	1,601	4,804	\$ 0.638	\$ 3,065
		65,000	9,141	27,422		\$ 10,718
Editorial Pounds					\$ 0.193	\$ 1,764
Pound Revenue						\$ 12,482
Piece Revenue @ Basic Automation				65,000	\$ 0.325	\$ 21,125
Nonadvertising					\$ (0.074)	\$ (1,203)
Total Postage						\$ 32,405
Per-Piece Postage						0.50

Current Copalletization Experimental Classification

Advertising Pounds						
DADC				27,422	\$ 0.223	\$ 6,115
Editorial Pounds				9,141	\$ 0.193	\$ 1,764
Pound Revenue						\$ 7,879
Piece Revenue				65,000	\$ 0.325	\$ 21,125
Nonadvertising					\$ (0.074)	\$ (1,203)
DADC Entry Piece Discount				65,000	\$ (0.002)	\$ (130)
Palletized Dropship Discount				65,000	\$ (0.015)	\$ (975)
Per-Piece Experimental Classification Discount				65,000	\$ (0.007)	\$ (455)
Total Postage						\$ 26,242
Piece Postage						\$ 0.40

Pieces 65,000
Weight 0.5625
Advertising 0%
Editorial 100%
Total Pounds 36,563

	Distribution	Pieces	Editorial Pounds	Advertising Pounds	Rates	Postage
Zone 1 & 2	19.1%	12,419	6,986	-	\$ 0.248	\$ -
Zone 3	14.8%	9,590	5,394	-	\$ 0.267	\$ -
Zone 4	15.8%	10,252	5,767	-	\$ 0.315	\$ -
Zone 5	19.0%	12,354	6,949	-	\$ 0.389	\$ -
Zone 6	9.3%	6,073	3,416	-	\$ 0.466	\$ -
Zone 7	4.5%	2,926	1,646	-	\$ 0.559	\$ -
Zone 8	17.5%	11,386	6,405	-	\$ 0.638	\$ -
		65,000	36,563	-		\$ -
Editorial Pounds					\$ 0.193	\$ 7,057
Pound Revenue						\$ 7,057
Piece Revenue @ Basic Automation				65,000	\$ 0.325	\$ 21,125
Nonadvertising					\$ (0.074)	\$ (4,810)
Total Postage						\$ 23,372
Per-Piece Postage						0.36

Current Copalletization Experimental Classification

Advertising Pounds						
DADC				-	\$ 0.223	\$ -
Editorial Pounds				36,563	\$ 0.193	\$ 7,057
Pound Revenue						\$ 7,057
Piece Revenue				65,000	\$ 0.325	\$ 21,125
Nonadvertising					\$ (0.074)	\$ (4,810)
DADC Entry Piece Discount				65,000	\$ (0.002)	\$ (130)
Palletized Dropship Discount				65,000	\$ (0.015)	\$ (975)
Per-Piece Experimental Classification Discount				65,000	\$ (0.007)	\$ (455)
Total Postage						\$ 21,812
Piece Postage						\$ 0.34

Proposed Copalletization for High Editorial Publications

Advertising Pounds						
DADC				-	\$ 0.223	\$ -
Editorial Pounds				36,563	\$ 0.193	\$ 7,057
Pound Revenue						\$ 7,057
Piece Revenue				65,000	\$ 0.325	\$ 21,125
Nonadvertising					\$ (0.074)	\$ (4,810)
DADC Entry Piece Discount				65,000	\$ (0.002)	\$ (130)
Palletized Dropship Discount				65,000	\$ (0.015)	\$ (975)
Per-Piece Experimental Classification Discount				65,000	\$ -	\$ -
Total Postage						\$ 22,267
Piece Postage						\$ 0.34
Proposed Co-palletization based on Original Zone Distribution						
Zones 1 & 2	\$ 0.008	6,986	(56)			
Zone 3	\$ 0.013	5,394	(70)			
Zone 4	\$ 0.028	5,767	(161)			
Zone 5	\$ 0.050	6,949	(347)			
Zone 6	\$ 0.073	3,416	(249)			
Zone 7	\$ 0.101	1,646	(166)			
Zone 8	\$ 0.125	6,405	(801)			
			(1,851)			
						\$ 20,415
						\$ 0.31

	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine
	1	2	3	4	5	6	7	8	9	10	11	12
Zones 1 & 2	1,472	239	413	1,351	5,319	377	4,474	401	356	466	1,456	436
Zone 3	2,614	229	247	1,406	2,924	342	2,470	390	346	452	1,285	423
Zone 4	2,190	202	442	1,357	4,797	729	1,948	249	221	289	1,192	270
Zone 5	2,522	282	254	2,312	7,186	599	2,989	377	334	438	2,332	409
Zone 6	899	87	102	1,606	3,105	399	1,025	143	127	166	1,444	155
Zone 7	388	18	37	676	1,318	235	608	164	146	191	607	178
Zone 8	1,675	188	294	1,137	4,937	676	3,116	593	526	688	1,124	642

Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine
13	14	15	16	17	18	19	20	21	22	23	24	25
1,130	5,452	688	1,552	2,556	105	167	862	419	1,071	1,072	593	1,745
886	2,295	522	1,481	2,383	461	799	1,009	509	1,270	850	850	2,538
609	2,324	741	1,341	2,264	433	803	656	656	1,908	1,074	1,074	1,012
1,020	4,168	885	2,013	2,066	202	326	652	652	2,522	1,079	806	1,438
1,166	1,815	431	1,675	1,084	115	249	230	230	899	386	386	413
598	644	187	699	228	133	212	70	70	388	134	134	162
1,431	3,487	591	1,377	2,226	464	892	584	584	1,675	772	772	817

Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine
26	27	28	29	30	31	32	33	34	35	36	37	38
335	1,027	915	111	2,581	660	455	486	216	464	317	387	390
545	1,602	1,381	107	1,000	264	457	157	157	357	250	148	419
510	1,916	1,916	161	1,485	381	183	182	182	181	164	173	247
494	2,005	2,005	165	1,863	470	321	311	311	312	221	333	412
190	893	893	39	689	159	164	97	97	144	160	149	337
77	399	399	55	165	80	129	82	82	106	187	46	434
487	2,120	1,317	225	854	283	688	242	242	682	952	236	2,594

Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Magazine	Total	Distribution
39	40	41	42	43	44	45	46	47	48	49		
324	1,255	3,836	1,719	3,832	382	1,017	1,029	306	440	1,239	57,895	19.1%
206	678	1,923	1,279	1,739	352	542	1,083	327	134	618	44,706	14.8%
103	1,381	2,487	1,744	1,981	742	791	758	194	156	995	47,794	15.8%
211	387	1,293	1,862	2,921	608	1,063	1,222	323	325	291	57,592	19.0%
103	172	649	1,142	1,452	409	551	1,007	269	113	98	28,313	9.3%
53	90	245	559	539	239	264	619	339	58	170	13,641	4.5%
525	1,090	1,878	1,236	811	686	909	1,485	1,132	255	884	53,081	17.5%
											303,022	

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

2004 JUN - 8 P 2: 57

RECEIVED

POSTAL RATE COMMISSION
DOCKET NO. MC2004-1
DECLARATION OF ALTAH H. TAUFIQUE

I hereby declare, under penalty of perjury, that:

The Direct Testimony of Althaf H. Taufique on Behalf of United States Postal Service, USPS-T-1, was prepared by me or under my direction; and

If I were to give this testimony before the Commission orally today, it would be the same.

I prepared the interrogatory responses filed under my name, and designated for inclusion in the record in this docket; and

If I were to respond to these interrogatories orally today, the responses would be the same.



ALTAH H. TAUFIQUE

DATE June 2, 2004

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Experimental Periodicals
Co-Palletization Dropship Discounts
For High Editorial Publications, 2004

Docket No. MC2004-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION

<u>Party</u>	<u>Interrogatories</u>
<u>United States Postal Service</u>	
Altaf H. Taufique (USPS-T-1)	
American Postal Workers Union, AFL-CIO	APWU/USPS-T1-1
Office of the Consumer Advocate	ABM/USPS-T1-2-6, 8, 13-15, 20, 23, 25, 29, 31, 33, 37, 41, 44-45, 50, 53-54 APWU/USPS-T1-3 OCA/USPS-T1-1-7 TW/USPS-T1-1-8, 10-11, 13, 21, 23
Time Warner Inc.	TW/USPS-T1-1-26
United States Postal Service	ABM/USPS-T1-17-18, 21, 40, 42-43, 46-47, 49

Respectfully submitted,


Garry Sikora
Acting Secretary

INTERROGATORY RESPONSES
DESIGNATED AS WRITTEN CROSS-EXAMINATION

<u>Interrogatory</u>	<u>Designating Parties</u>
<u>United States Postal Service</u>	
Altaf H. Taufique (USPS-T-1)	
ABM/USPS-T1-2	OCA
ABM/USPS-T1-3	OCA
ABM/USPS-T1-4	OCA
ABM/USPS-T1-5	OCA
ABM/USPS-T1-6	OCA
ABM/USPS-T1-8	OCA
ABM/USPS-T1-13	OCA
ABM/USPS-T1-14	OCA
ABM/USPS-T1-15	OCA
ABM/USPS-T1-17	USPS
ABM/USPS-T1-18	USPS
ABM/USPS-T1-20	OCA
ABM/USPS-T1-21	USPS
ABM/USPS-T1-23	OCA
ABM/USPS-T1-25	OCA
ABM/USPS-T1-29	OCA
ABM/USPS-T1-31	OCA
ABM/USPS-T1-33	OCA
ABM/USPS-T1-37	OCA
ABM/USPS-T1-40	USPS
ABM/USPS-T1-41	OCA
ABM/USPS-T1-42	USPS
ABM/USPS-T1-43	USPS
ABM/USPS-T1-44	OCA
ABM/USPS-T1-45	OCA
ABM/USPS-T1-46	USPS
ABM/USPS-T1-47	USPS
ABM/USPS-T1-49	USPS
ABM/USPS-T1-50	OCA
ABM/USPS-T1-53	OCA
ABM/USPS-T1-54	OCA

Interrogatory

APWU/USPS-T1-1
 APWU/USPS-T1-3
 OCA/USPS-T1-1
 OCA/USPS-T1-2
 OCA/USPS-T1-3
 OCA/USPS-T1-4
 OCA/USPS-T1-5
 OCA/USPS-T1-6
 OCA/USPS-T1-7
 TW/USPS-T1-1
 TW/USPS-T1-2
 TW/USPS-T1-3
 TW/USPS-T1-4
 TW/USPS-T1-5
 TW/USPS-T1-6
 TW/USPS-T1-7
 TW/USPS-T1-8
 TW/USPS-T1-9
 TW/USPS-T1-10
 TW/USPS-T1-11
 TW/USPS-T1-12
 TW/USPS-T1-13
 TW/USPS-T1-14
 TW/USPS-T1-15
 TW/USPS-T1-16
 TW/USPS-T1-17
 TW/USPS-T1-18
 TW/USPS-T1-19
 TW/USPS-T1-20
 TW/USPS-T1-21
 TW/USPS-T1-22
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Designating Parties

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RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-2. (a) Was the Postal Service's consideration leading to the filing initiating this docket prompted, in whole or in part, by a request from outside the Postal Service? (b) If so, please describe the circumstances.

Response:

- a) Yes.
- b) Please see my testimony, USPS-T-1, p. 6.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAH H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-3. Please describe in detail, provide all documents related to, and provide the results of any study, investigation or other effort made by or on behalf of the Postal Service to determine the number of Periodicals (by title and total number of annual pieces) that would be eligible for the proposed experimental rate (that is, Periodicals weighing at least nine ounces with mailed circulations less than 75,000, containing no more than 15% advertising content and unable to palletize without combining with other Periodicals).

RESPONSE:

The PERMIT System was used to estimate the number of Periodicals (by title and number of copies) that would be eligible for the proposed experimental co-palletization discounts. Analysis was done during 2003 when the current proposal was being explored, and was repeated more recently to assist in responding to discovery. The results are presented in the following table. There are over 54 million copies that weigh at least 9 ounces, have less than 15% advertising content, and have circulation no more than 75,000.

			Publications	Pieces (000's)
Total PERMIT			26,615	8,658,099
Advertising	Weight (oz)	Circulation		
0-10%	-	-	12,897	1,045,467
0-15%	-	-	14,122	1,205,090
0-15%	>=9	-	3,640	106,994
0-15%	-	0-75,000	13,705	495,418
0-15%	>=9	0-75,000	3,594	54,027
0-15%	-	Monthly & less frequently	10,364	810,922
0-15%	-	0-75,000 & Monthly or less	9,966	289,305
0-15%	>=9	Monthly & less frequently	3,167	86,430
0-15%	>=9	0-75,000 & Monthly or less	3,122	37,464

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-4. Please describe in detail, provide all documents related to, and provide the results of any study, investigation or other effort made by or on behalf of the Postal Service to determine the number of Periodicals (by title and annual pieces) that would be likely to avail themselves of the proposed rates.

RESPONSE:

I expect that most of the publications likely to avail themselves of the proposed rates are printed by Cadmus Communications. I am attaching a database provided by Cadmus of publications prepared exclusively in sacks. All of them meet the criterion of 15 percent or less advertising. Not all of them meet the 9 ounce or more copy weight requirement because the information is presented for a range of weight cutoffs: 8, 10, and 12 ounces.

Other than the actual numbers from this particular printer, our informal discussions with a variety of printers led us to the estimate of 20 million pieces that we think will make use the proposed co-palletization discounts.

POTENTIAL QUALIFYING CADMUS PUBLICATIONS BASED ON 8, 10 AND 12 OUNCE CUTOFFS

oz Threshold	Title Count	copies	pounds	1	2	3	4	5	6	7	8	SackCnt
12	234	783,933	1,085,372	41,786	140,144	160,596	232,375	197,317	89,225	38,191	185,738	26,218
10	283	933,565	1,188,024	47,522	153,075	176,016	250,439	215,731	97,682	41,684	205,875	29,095
8	345	1,177,924	1,321,667	54,294	167,442	196,130	277,180	242,963	108,918	46,609	228,130	34,594

Data Set Qualifiers:

Date Range: Ship date between 2002-10-01 and 2002-10-31

Pub Frequency: Non-weekly

Container Type: Sack only

Piece Weight: Three cutoff thresholds: 12oz, 10oz, 8oz

Ad%: 15% or less

Note:

1. The pounds shipped are also categorized by zone (1-8)
2. The data tables for 10oz, 12oz are, by definition, subsets of the 8oz table.
3. Based on a prior drop-ship simulation, about 95% of the packages can be palletized at DADC level.

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold	
Mag. 0	616	342		9	245	28	18	8	8	2	23	11	8
Mag. 1	3,467	3,703		5	352	724	791	335	226	245	1,026	55	12
Mag. 2	702	678		3	70	145	172	59	40	36	155	21	12
Mag. 3	1,653	2,579		6	176	560	579	273	134	198	652	100	12
Mag. 4	733	2,192		6	278	443	583	194	117	120	451	75	12
Mag. 5	1,061	1,589		3	91	340	348	163	120	93	431	55	12
Mag. 6	752	1,922		8	197	442	491	169	84	169	363	79	12
Mag. 7	860	599		1	59	118	131	58	34	38	159	19	10
Mag. 8	5,391	8,518			363	1,352	2,816	1,789	978	202	1,018	334	12
Mag. 9	13,566	7,448			553	1,068	2,204	1,897	696	109	921	296	8
Mag. 10	4,289	2,153		14	284	310	446	475	109	3	512	78	8
Mag. 11	5,559	5,476		25	418	637	1,588	991	346	123	1,348	217	12
Mag. 12	10,865	16,458		88	1,040	2,919	4,652	3,090	1,075	578	3,015	915	12
Mag. 13	2,223	1,636			55	302	361	325	123	66	404	62	10
Mag. 14	3,749	1,904		11	171	422	388	429	209	68	206	90	8
Mag. 15	1,223	1,513		7	115	205	359	366	167	63	230	48	12
Mag. 16	105	184		4	19	19	42	44	11	23	23	8	12
Mag. 17	17,608	63,125		272	8,256	8,582	19,943	8,955	3,746	1,305	12,064	1,716	12
Mag. 18	1,955	1,105		5	81	304	290	168	63	25	169	36	8
Mag. 19	10,189	9,170		48	731	1,945	2,376	1,545	1,042	367	1,116	328	12
Mag. 20	925	546		5	50	96	155	104	40	19	76	14	8
Mag. 21	18,890	17,001		50	1,386	2,622	4,246	3,308	1,728	804	2,858	657	12
Mag. 22	8,723	5,356		39	330	710	1,164	1,218	562	211	1,122	217	8
Mag. 23	5,577	4,986		30	320	848	1,352	1,007	342	161	928	194	12
Mag. 24	7,366	6,400		47	364	1,319	1,761	1,217	431	243	1,017	259	12
Mag. 25	2,327	1,743		12	673	352	303	152	78	17	156	63	10
Mag. 26	123	64			5	16	12	10	8	5	8	16	8
Mag. 27	1,120	806		1	93	134	240	102	43	19	174	31	10
Mag. 28	1,888	1,450		6	170	212	434	176	74	30	349	54	12
Mag. 29	6,818	5,710		28	587	901	1,444	909	428	139	1,274	221	12
Mag. 30	982	749		8	76	233	124	130	55	3	120	24	12
Mag. 31	727	1,118		15	151	103	234	263	111	3	238	34	12
Mag. 32	486	374			28	197	65	45	12	5	22	11	12
Mag. 33	7,167	6,299		15	663	1,419	1,235	1,109	248	313	1,297	255	12
Mag. 34	1,233	4,661		30	590	809	1,179	922	359	79	692	170	12
Mag. 35	2,556	7,231		407	484	942	1,658	1,505	571	300	1,364	280	12
Mag. 36	3,910	3,773		139	350	627	685	896	284	108	683	171	12
Mag. 37	1,385	958		77	63	155	206	161	77	55	165	39	10
Mag. 38	1,040	775		54	52	98	155	141	37	48	189	23	10
Mag. 39	1,210	1,353		108	79	165	274	237	63	86	340	43	12
Mag. 40	1,230	1,031		72	63	134	204	181	52	59	265	37	12
Mag. 41	1,408	1,011		27	129	147	169	244	82	31	183	40	10
Mag. 42	5,923	10,922		622	685	1,621	2,058	2,829	1,036	394	1,677	370	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 43	2,534	1,574	74	104	232	273	397	149	55	290	63	8
Mag. 44	7,386	36,721	2,103	2,327	7,074	7,279	6,712	3,281	1,402	6,543	200	12
Mag. 45	712	1,593	107	154	307	291	345	98	56	235	47	12
Mag. 46	7,070	14,074	522	912	2,528	3,112	3,527	1,062	478	1,932	236	12
Mag. 47	3,230	2,161	86	219	462	442	463	169	42	278	48	10
Mag. 48	10,612	12,756	619	1,141	2,208	2,572	2,833	1,008	416	1,958	448	12
Mag. 49	2,459	3,971	313	302	791	822	641	197	105	799	150	12
Mag. 50	1,314	3,106	310	269	546	657	452	229	71	572	102	12
Mag. 51	935	558	23	60	102	103	120	32	21	97	83	8
Mag. 52	2,521	2,241	84	150	378	502	537	180	74	336	98	12
Mag. 53	2,718	3,324	175	346	527	585	708	259	117	607	135	12
Mag. 54	14,560	8,561	132	325	1,211	2,249	2,156	669	517	1,302	335	8
Mag. 55	226	311	15	32	43	41	88	32	12	48	9	12
Mag. 56	3,123	2,377	76	292	438	463	557	173	55	323	94	12
Mag. 57	658	415	14	88	95	68	77	21	6	44	12	10
Mag. 58	260	348	36	24	60	64	60	25	7	71	10	12
Mag. 59	920	712	68	90	127	143	116	35	15	118	26	12
Mag. 60	2,302	1,867	91	235	336	377	376	135	58	260	73	12
Mag. 61	2,220	3,463	162	234	599	750	811	268	101	537	124	12
Mag. 62	5,142	4,756	447	400	597	849	716	330	415	1,003	180	12
Mag. 63	1,777	5,297	471	391	826	1,091	984	507	131	897	196	12
Mag. 64	3,193	1,766	103	279	328	320	314	132	41	250	72	8
Mag. 65	11,523	6,176	271	526	1,319	1,245	1,211	497	197	910	251	8
Mag. 66	4,461	3,957	231	313	661	852	795	332	45	728	155	12
Mag. 67	1,074	1,068	44	90	214	262	191	33	54	180	45	12
Mag. 68	4,603	6,599	278	424	1,647	1,266	1,434	489	189	872	132	12
Mag. 69	3,931	8,617	520	607	1,528	1,583	1,925	767	294	1,394	277	12
Mag. 70	3,633	6,111	345	400	954	1,325	1,209	474	198	1,204	219	12
Mag. 71	6,942	6,060	226	520	1,018	1,178	1,271	593	207	1,048	267	12
Mag. 72	3,072	1,699	102	123	297	333	379	123	50	292	64	8
Mag. 73	6,888	17,567	702	1,187	1,751	4,808	4,412	1,658	516	2,533	321	12
Mag. 74	483	323	35	47	54	47	63	34	8	35	9	10
Mag. 75	6,061	3,194	149	281	444	769	657	271	132	492	144	8
Mag. 76	1,008	782	45	46	113	164	149	46	36	184	29	12
Mag. 77	747	754	52	50	105	149	161	47	31	156	28	12
Mag. 78	3,678	8,955	406	691	1,819	2,107	1,501	639	252	1,540	135	12
Mag. 79	1,541	781	53	137	144	125	125	52	17	127	24	8
Mag. 80	3,360	9,888	524	856	1,954	2,081	1,572	700	253	1,948	186	12
Mag. 81	1,420	1,358	81	228	217	241	314	100	26	151	64	12
Mag. 82	3,804	5,440	149	595	885	1,028	1,340	468	139	837	166	12
Mag. 83	3,965	2,668	87	160	411	480	575	242	90	623	97	10
Mag. 84	1,067	2,633	161	371	539	520	427	131	77	407	77	12
Mag. 85	3,208	8,156	646	732	1,505	1,370	1,268	684	231	1,721	132	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 86	2,648	1,689	103	306	348	268	349	77	30	208	68	10
Mag. 87	1,942	2,571	196	233	433	450	482	249	56	473	75	12
Mag. 88	1,301	1,577	90	247	228	301	280	143	41	247	62	12
Mag. 89	9,460	4,938	488	392	663	830	973	373	218	1,001	225	8
Mag. 90	5,091	10,655	507	883	1,231	2,382	2,323	1,051	408	1,871	352	12
Mag. 91	5,609	5,413	207	525	1,126	1,213	1,269	388	147	538	246	12
Mag. 92	10,647	7,932	263	576	1,239	1,538	1,617	726	309	1,664	327	10
Mag. 93	860	1,030	53	218	236	153	187	59	20	104	28	12
Mag. 94	5,657	3,632	165	249	621	799	849	372	68	508	144	10
Mag. 95	12,088	10,166	341	770	1,688	1,856	2,309	959	438	1,805	394	12
Mag. 96	4,854	10,242	380	724	1,682	2,241	2,393	909	369	1,545	320	12
Mag. 97	1,323	2,737	170	182	668	528	534	157	56	443	78	12
Mag. 98	15,555	8,120	453	471	1,511	1,472	1,690	682	327	1,515	326	8
Mag. 99	1,000	582	44	37	70	123	89	23	31	164	19	8
Mag. 100	187	177	13	8	25	49	39	8	10	24	4	12
Mag. 101	2,656	2,956	177	293	510	634	605	215	83	439	123	12
Mag. 102	3,066	1,686	51	192	351	314	395	129	55	200	67	8
Mag. 103	1,526	3,800	169	212	588	712	984	286	112	737	132	12
Mag. 104	2,341	6,391	388	251	1,190	1,269	1,308	551	287	1,147	242	12
Mag. 105	6,689	8,756	356	758	1,028	1,872	2,037	873	312	1,521	324	12
Mag. 106	1,324	2,379	97	512	582	327	460	106	40	255	80	12
Mag. 107	1,503	1,638	75	182	256	300	382	126	50	267	54	12
Mag. 108	765	838	22	176	208	122	162	39	20	89	22	12
Mag. 109	552	284	9	59	62	44	47	15	8	40	8	8
Mag. 110	672	577	16	130	135	74	109	33	18	63	16	12
Mag. 111	500	489	21	95	88	81	87	31	22	65	13	12
Mag. 112	730	916	33	161	161	144	174	56	44	143	26	12
Mag. 113	13,331	7,132	439	408	985	1,674	1,688	650	198	1,089	278	8
Mag. 114	3,149	3,281	109	396	479	666	737	261	125	508	141	12
Mag. 115	1,243	646	31	54	83	107	106	53	23	189	23	8
Mag. 116	3,124	2,612	112	412	454	418	595	175	43	403	48	12
Mag. 117	418	297	12	7	28	182	38	5	25	10	10	10
Mag. 118	4,286	2,263	250	207	312	150	323	220	88	713	97	8
Mag. 119	2,701	1,918	601	136	118	149	178	62	55	619	22	12
Mag. 120	4,136	5,244	779	628	550	620	1,134	472	174	889	153	12
Mag. 121	660	494	192	44	51	40	52	19	15	80	14	10
Mag. 122	388	225	44	29	29	8	53	14	9	39	6	8
Mag. 123	1,286	792	103	81	74	67	182	94	41	150	26	8
Mag. 124	703	458	59	51	51	49	91	42	23	92	12	10
Mag. 125	543	613	44	50	55	105	159	86	24	90	13	12
Mag. 126	2,744	4,718	825	1,802	77	262	562	988	4	197	75	12
Mag. 127	9,629	19,817	1,061	2,012	3,037	2,749	4,433	2,860	1,322	2,344	319	12
Mag. 128	2,234	2,089	225	237	373	236	399	178	87	354	75	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 129	6,827	4,831	1,001	771	613	409	246	250	57	1,484	159	10
Mag. 130	2,403	1,272	158	160	135	195	392	53	41	138	45	8
Mag. 131	2,115	1,734	91	195	238	253	327	123	101	407	58	12
Mag. 132	1,821	986	65	77	111	80	156	72	73	350	38	8
Mag. 133	3,054	2,054	224	215	274	136	284	147	74	699	77	10
Mag. 134	1,045	548	37	55	73	62	117	47	29	129	18	8
Mag. 135	2,584	2,930	183	310	408	322	530	235	230	713	89	12
Mag. 136	1,269	650	55	76	96	71	101	47	27	176	24	8
Mag. 137	2,767	2,314	218	264	366	184	314	155	102	711	75	12
Mag. 138	754	730	87	89	109	55	110	41	42	196	21	12
Mag. 139	994	6,161	421	985	682	874	1,426	545	248	979	151	12
Mag. 140	2,051	2,802	179	254	433	302	377	165	157	934	72	12
Mag. 141	638	427	48	42	64	36	75	22	16	123	13	10
Mag. 142	6,447	5,922	426	640	868	437	851	349	265	2,085	101	12
Mag. 143	875	445	35	46	70	47	71	40	22	115	14	8
Mag. 144	2,786	7,494	436	922	945	949	1,273	409	603	1,958	133	12
Mag. 145	1,197	1,827	101	258	476	113	211	150	72	447	51	12
Mag. 146	16,880	11,176	815	1,359	1,833	863	1,550	698	618	3,442	208	10
Mag. 147	1,560	998	148	121	143	58	109	54	49	317	35	10
Mag. 148	1,271	1,313	81	137	207	170	243	103	73	299	36	12
Mag. 149	1,878	1,016	61	122	142	83	150	96	75	286	40	8
Mag. 150	2,196	1,549	191	169	231	99	204	110	49	496	55	10
Mag. 151	2,554	2,610	197	306	479	199	363	186	133	747	77	12
Mag. 152	1,479	1,140	69	74	129	79	147	70	92	481	34	12
Mag. 153	1,227	1,340	135	124	181	124	206	96	62	410	36	12
Mag. 154	1,513	769	43	45	75	51	87	46	59	361	28	8
Mag. 155	4,028	2,054	153	259	412	228	301	158	98	445	77	8
Mag. 156	14,006	8,404	397	1,219	1,295	812	1,914	1,054	171	1,541	397	8
Mag. 157	953	1,020	5	19	29	13	501	209	5	239	30	12
Mag. 158	50	54			10	13	15	14	1	1	6	12
Mag. 159	852	1,026	330	137	99	119	192	26	15	108	22	12
Mag. 160	9,778	6,712	719	906	755	922	1,648	673	222	867	255	10
Mag. 161	57	196					134	55	7		4	12
Mag. 162	8,341	5,231	270	512	495	880	1,483	719	206	668	195	10
Mag. 163	208	234	25	41	26	14	69	30	7	24	8	12
Mag. 164	461	461	266	76	7	41	45	5	1	20	18	12
Mag. 165	3,535	6,356	343	408	955	597	935	1,390	581	1,147	193	12
Mag. 166	1,179	5,468	441	932	649	519	668	775	487	997	145	12
Mag. 167	9,494	5,845	1,145	873	887	153	1,050	122	65	1,549	182	8
Mag. 168	2,408	1,498	239	152	157	180	348	150	49	222	58	8
Mag. 169	1,466	5,049	1,405	589	413	458	1,095	300	121	668	123	12
Mag. 170	1,636	5,634	489	678	713	685	1,147	623	214	1,085	146	12
Mag. 171	3,674	4,644	800	566	437	599	935	404	142	760	141	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 172	16,253	15,665	1,095	2,090	1,784	2,943	3,507	1,772	560	1,913	562	12
Mag. 173	6,949	6,859	298	470	637	1,736	2,137	742	125	714	230	12
Mag. 174	732	2,316	89	342	316	152	418	114	190	696	19	12
Mag. 175	1,776	5,617	262	683	880	759	1,271	418	294	1,050	46	12
Mag. 176	232	815	28	120	123	84	127	35	53	246	21	12
Mag. 177	494	1,736	302	179	204	197	376	112	77	288	43	12
Mag. 178	828	616	19	74	71	51	91	36	45	228	20	10
Mag. 179	358	266	48	27	33	34	47	16	16	45	7	10
Mag. 180	76	101	4	12	13	13	11	11	8	29	3	12
Mag. 181	391	522	127	59	68	51	88	24	24	81	14	12
Mag. 182	5,834	3,512	230	320	248	561	845	486	214	607	166	8
Mag. 183	3,873	2,820	33	644	355	843	131	55	35	723	93	10
Mag. 184	150	114	1	36	13	21	17	5		20	3	12
Mag. 185	87	75	2	29	5	9	11	5	2	11	2	12
Mag. 186	762	651	9	239	61	109	116	32	17	67	9	12
Mag. 187	1,035	1,215	21	366	106	215	232	81	39	155	14	12
Mag. 188	682	383	11	73	45	80	74	29	10	62	10	8
Mag. 189	185	174	7	55	13	30	22	6	1	40	5	12
Mag. 190	289	329	5	73	42	58	51	26	10	64	13	12
Mag. 191	388	1,141	29	312	135	229	176	29	29	200	21	12
Mag. 192	366	258	11	62	32	56	32	22	8	35	6	10
Mag. 193	3,707	3,256	90	557	498	897	444	318	33	420	113	12
Mag. 194	2,543	4,705	113	988	686	982	725	387	67	757	151	12
Mag. 195	6,293	5,732	94	1,305	773	1,581	470	202	103	1,203	178	12
Mag. 196	247	171	2	55	17	34	24	6	3	31	5	10
Mag. 197	4,790	3,058	92	264	304	674	523	366	213	622	115	10
Mag. 198	2,142	2,249	38	517	327	462	337	164	81	324	65	12
Mag. 199	1,937	1,513	23	507	158	327	175	80	36	208	48	12
Mag. 200	2,920	2,397	34	395	338	534	277	149	81	590	77	12
Mag. 201	1,785	1,529	21	485	184	301	222	60	39	218	48	12
Mag. 202	266	208	3	58	30	48	25	5	2	38	5	12
Mag. 203	1,417	1,454	37	497	195	243	140	80	50	212	41	12
Mag. 204	656	478	12	75	63	100	91	39	17	82	13	10
Mag. 205	1,458	1,470	11	377	202	349	196	94	42	200	40	12
Mag. 206	29,044	21,853	503	2,170	2,253	5,649	3,872	1,943	894	4,568	680	12
Mag. 207	904	761	16	171	89	147	130	72	15	120	20	12
Mag. 208	6,826	7,611	235	882	1,010	1,892	1,494	683	227	1,186	234	12
Mag. 209	2,191	1,562	37	279	232	356	242	137	53	226	56	10
Mag. 210	404	256	5	74	32	56	36	12	6	36	8	10
Mag. 211	1,158	1,621	32	423	193	354	256	140	38	185	39	12
Mag. 212	729	470	15	130	53	99	56	29	12	77	13	10
Mag. 213	437	250	3	35	29	64	54	25	6	35	6	8
Mag. 214	852	699	12	165	62	145	128	48	21	118	18	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 215	1,781	1,462	38	190	179	341	315	156	48	195	48	12
Mag. 216	300	199	3	65	28	37	29	11	6	20	5	10
Mag. 217	1,820	1,406	39	510	151	255	193	54	35	170	8	12
Mag. 218	820	918	15	255	87	215	156	77	20	93	22	12
Mag. 219	474	267	12	60	38	48	37	23	5	45	7	8
Mag. 220	249	247	8	92	29	27	48	10	2	32	6	12
Mag. 221	204	184	8	63	21	30	23	4	5	30	5	12
Mag. 222	222	138	7	49	9	23	18	6	3	22	4	8
Mag. 223	941	844	23	308	70	124	161	50	13	95	12	12
Mag. 224	748	529	7	170	68	99	68	27	11	79	7	10
Mag. 225	198	100	1	34	11	19	13	5	2	16	3	8
Mag. 226	1,054	767	13	182	131	138	131	52	22	98	10	12
Mag. 227	479	362	5	90	50	88	56	19	12	43	9	12
Mag. 228	1,896	1,863	57	369	252	444	271	119	41	311	53	12
Mag. 229	640	848	24	307	90	135	117	45	19	111	15	12
Mag. 230	283	235	7	81	31	38	31	12	4	32	6	12
Mag. 231	1,796	2,263	77	490	316	544	314	108	43	370	62	12
Mag. 232	503	479	30	175	47	70	58	25	6	68	12	12
Mag. 233	562	318	15	111	46	53	36	11	2	43	4	8
Mag. 234	152	90	2	40	12	18	11	3	1	2	2	8
Mag. 235	279	163	2	60	22	31	26	5	4	12	4	8
Mag. 236	459	268	10	75	44	67	16	9	6	41	8	8
Mag. 237	560	444	12	158	54	78	64	23	10	44	11	12
Mag. 238	5,010	2,505	130	345	356	773	472	155	92	184	83	8
Mag. 239	1,336	1,269	32	403	154	220	203	80	25	152	11	12
Mag. 240	1,660	1,971	50	710	195	333	278	119	26	261	27	12
Mag. 241	30,543	21,954	627	1,770	3,864	4,942	4,324	2,128	694	3,606	319	10
Mag. 242	717	556	16	126	73	110	99	49	18	65	16	12
Mag. 243	5,175	2,992	64	880	395	561	488	258	43	301	42	10
Mag. 244	4,022	7,039	89	971	915	1,463	1,129	408	247	1,817	172	12
Mag. 245	1,241	1,264	29	162	179	302	283	115	45	150	22	12
Mag. 246	16,670	9,377	325	1,397	1,750	2,213	1,442	725	437	1,088	368	8
Mag. 247	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 248	2,705	1,437	62	282	179	312	185	133	48	236	61	8
Mag. 249	4,586	4,156	115	759	550	952	751	334	114	581	111	12
Mag. 250	9,312	9,953	216	1,851	1,523	1,853	1,599	907	428	1,575	270	12
Mag. 251	7,710	9,204	216	1,141	1,546	2,041	1,511	937	172	1,639	272	12
Mag. 252	1,318	857	20	256	98	137	178	53	21	93	17	10
Mag. 253	7,625	12,647	306	2,285	1,710	2,650	2,229	870	408	2,188	210	12
Mag. 254	1,704	1,086	20	337	126	198	186	55	23	143	36	10
Mag. 255	3,712	8,166	231	889	1,236	1,802	1,415	658	321	1,615	240	12
Mag. 256	1,494	1,681	43	430	190	357	237	132	27	266	46	12
Mag. 257	5,643	11,286	270	1,516	1,538	2,646	2,164	1,080	316	1,756	184	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 258	414	233	4	47	20	42	47	29	12	33	6	8
Mag. 259	2,748	3,744	76	1,417	365	616	572	196	65	436	45	12
Mag. 260	9,647	10,294	272	2,128	1,293	2,130	1,818	773	310	1,569	75	12
Mag. 261	1,126	894	26	233	112	171	134	40	28	150	26	12
Mag. 262	337	337	18	61	53	79	48	28	12	38	5	12
Mag. 263	12,809	17,745	504	3,189	2,405	4,041	2,643	1,419	497	3,046	191	12
Mag. 264	333	208	4	40	29	51	33	16	9	26	6	10
Mag. 265	803	1,706	30	421	244	361	225	117	57	251	26	12
Mag. 266	1,542	3,759	115	583	558	917	512	285	161	629	94	12
Mag. 267	17,392	16,521	513	3,141	2,174	3,509	2,539	1,339	522	2,786	214	12
Mag. 268	36,497	27,069	881	3,272	4,344	6,318	4,827	2,430	727	4,269	248	12
Mag. 269	1,782	1,314	38	317	148	259	205	102	29	215	14	12
Mag. 270	955	728	18	160	91	146	124	53	25	111	13	12
Mag. 271	26	19	6	8	1	1	1				1	10
Mag. 272	680	631	19	78	85	151	107	44	32	114	20	12
Mag. 273	906	1,087	28	287	142	217	140	72	28	174	29	12
Mag. 274	178	147	2	39	22	33	21	10	2	17	4	12
Mag. 275	370	252	7	37	33	68	50	17	5	35	4	10
Mag. 276	885	625	18	69	65	102	163	57	30	122	19	10
Mag. 277	4,018	4,269	103	660	523	921	676	318	244	825	134	12
Mag. 278	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 279	4,004	4,004	97	616	490	863	637	298	229	774	99	12
Mag. 280	1,099	1,058	27	366	117	173	170	69	19	116	14	12
Mag. 281	11,908	20,839	564	3,430	3,133	4,524	3,334	1,636	681	3,539	253	12
Mag. 282	2,478	2,633	69	696	289	509	423	208	73	366	75	12
Mag. 283	1,150	934	20	186	117	193	179	70	29	140	12	12
Mag. 284	2,497	2,809	68	306	347	601	340	250	219	680	16	12
Mag. 285	537	349	11	105	40	72	46	17	6	53	10	10
Mag. 286	1,262	1,388	43	334	158	290	234	109	25	194	38	12
Mag. 287	1,944	972	23	182	113	207	185	90	18	155	47	8
Mag. 288	862	485	18	157	48	78	73	50	16	47	15	8
Mag. 289	1,619	2,125	46	517	268	421	379	198	71	224	55	12
Mag. 290	4,566	6,849	144	1,085	851	1,512	1,230	606	209	1,214	165	12
Mag. 291	214	115	3	13	16	28	13	17	6	19	3	8
Mag. 292	3,593	4,416	96	1,265	456	751	945	207	122	575	45	12
Mag. 293	966	628	14	88	88	144	127	54	21	92	16	10
Mag. 294	15,205	20,374	717	3,340	2,883	4,172	3,362	1,632	709	3,560	253	12
Mag. 295	4,574	3,394	98	755	459	771	395	137	60	718	60	12
Mag. 296	697	1,934	50	322	291	377	391	150	56	297	50	12
Mag. 297	6,196	10,416	303	1,115	1,704	2,641	1,582	703	378	1,990	172	12
Mag. 298	23,051	21,610	606	2,687	3,082	5,101	4,093	2,049	617	3,376	399	12
Mag. 299	1,296	2,464	71	438	340	499	477	207	87	345	62	12
Mag. 300	13,239	6,620	207	951	960	1,561	1,022	522	275	1,124	314	8

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 301	16,472	24,161	874	3,494	3,698	5,317	3,610	1,812	873	4,482	183	12
Mag. 302	1,450	3,974	66	559	559	956	507	329	230	767	43	12
Mag. 303	5,629	9,576	189	1,522	1,396	2,257	1,554	737	353	1,567	95	12
Mag. 304	344	636	13	255	50	91	100	50	17	61	17	12
Mag. 305	860	1,161	30	452	119	184	185	54	30	108	16	12
Mag. 306	3,798	5,887	93	784	806	1,274	1,217	481	256	977	27	12
Mag. 307	1,035	1,067	19	128	121	157	282	117	46	199	29	12
Mag. 308	216	128	1	23	13	28	26	11	2	24	2	8
Mag. 309	935	1,110	39	290	145	228	159	87	33	129	29	12
Mag. 310	451	933	14	128	108	211	197	85	58	132	19	12
Mag. 311	272	279	3	82	28	67	44	12	10	33	7	12
Mag. 312	1,003	539	13	157	60	88	85	33	19	84	16	8
Mag. 313	4,686	10,848	352	1,319	1,688	2,472	1,839	1,028	433	1,717	71	12
Mag. 314	2,120	3,816	119	673	562	958	634	328	68	475	54	12
Mag. 315	1,457	2,345	61	641	277	455	361	171	74	306	32	12
Mag. 316	3,393	4,877	164	1,268	756	962	818	311	116	483	50	12
Mag. 317	1,278	775	25	172	95	175	124	48	24	113	23	8
Mag. 318	3,451	4,745	118	714	670	1,112	858	444	114	715	138	12
Mag. 319	4,698	2,643	59	528	353	563	409	209	83	440	113	8
Mag. 320	298	149	4	37	22	26	29	7	2	24	5	8
Mag. 321	1,183	1,006	20	251	98	166	111	83	9	269	34	12
Mag. 322	258	197	3	44	27	37	26	14	5	40	5	12
Mag. 323	2,065	1,678	37	394	206	358	275	100	48	260	55	12
Mag. 324	7,816	11,724	468	1,581	1,563	2,913	2,487	1,091	459	1,163	236	12
Mag. 325	3,080	3,320	60	775	454	866	331	123	89	622	49	12
Mag. 326	1,517	1,707	563	662	122	98	152	19	12	80	45	12
Mag. 327	470	710	14	97	76	168	127	40	44	144	12	12
Mag. 328	913	1,123	21	171	92	216	209	57	98	258	9	12
Mag. 329	3,236	2,184	65	387	312	562	317	153	51	338	37	10
Mag. 330	610	2,169	32	284	306	480	498	171	85	313	46	12
Mag. 331	2,872	6,050	106	847	880	1,267	1,282	506	245	917	34	12
Mag. 332	1,063	2,233	38	313	346	478	483	183	80	312	25	12
Mag. 333	2,122	6,770	143	997	869	1,441	1,411	564	329	1,015	50	12
Mag. 334	990	5,735	116	914	852	1,424	731	487	260	950	64	12
Mag. 335	13,185	8,076	249	647	1,085	2,435	1,517	766	427	949	290	8
Mag. 336	3,026	1,608	3	22	270	515	422	82	154	140	61	8
Mag. 337	11,800	9,072	286	1,087	1,378	2,093	1,332	733	395	1,767	283	12
Mag. 338	767	978	18	129	129	230	191	71	51	159	19	12
Mag. 339	3,329	3,371	103	760	430	705	615	222	76	460	100	12
Mag. 340	1,018	611	16	193	90	125	74	27	16	70	19	8
Mag. 341	2,335	2,932	92	723	513	639	334	142	98	392	36	12
Mag. 342	343	240	3	66	25	62	31	11	4	40	7	10
Mag. 343	6,472	8,252	238	1,438	1,109	1,799	1,419	778	199	1,271	150	12

QUALIFYING PUBLICATIONS
8 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 344	790	1,126	41	328	135	198	164	56	20	184	30	12
Mag. 345	5,091	2,546	62	388	304	572	419	211	110	481	135	8
Mag. 346	4,071	6,870	138	589	680	1,286	1,492	778	444	1,463	207	12
	1,182,007	1,325,712	54,308	168,040	196,882	277,989	243,306	109,152	46,856	229,179	34,660	

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 1	3,467	3,703	5	352	724	791	335	226	245	1,026	55	12
Mag. 2	702	678	3	70	145	172	59	40	36	155	21	12
Mag. 3	1,653	2,579	6	176	560	579	273	134	198	652	100	12
Mag. 4	733	2,192	6	278	443	583	194	117	120	451	75	12
Mag. 5	1,061	1,589	3	91	340	348	163	120	93	431	55	12
Mag. 6	752	1,922	8	197	442	491	169	84	169	363	79	12
Mag. 7	860	599	1	59	118	131	58	34	38	159	19	10
Mag. 8	5,391	8,518		363	1,352	2,816	1,789	978	202	1,018	334	12
Mag. 11	5,559	5,476	25	418	637	1,588	991	346	123	1,348	217	12
Mag. 12	10,865	16,458	88	1,040	2,919	4,652	3,090	1,075	578	3,015	915	12
Mag. 13	2,223	1,636		55	302	361	325	123	66	404	62	10
Mag. 15	1,223	1,513	7	115	205	359	366	167	63	230	48	12
Mag. 16	105	184	4	19	19	42	44	11	23	23	8	12
Mag. 17	17,608	63,125	272	8,256	8,582	19,943	8,955	3,746	1,305	12,064	1,716	12
Mag. 19	9,189	9,170	48	731	1,945	2,376	1,545	1,042	367	1,116	328	12
Mag. 21	18,890	17,001	50	1,386	2,622	4,246	3,308	1,728	804	2,858	657	12
Mag. 23	5,577	4,986	30	320	848	1,352	1,007	342	161	928	194	12
Mag. 24	7,366	6,400	47	364	1,319	1,761	1,217	431	243	1,017	259	12
Mag. 25	2,327	1,743	12	673	352	303	152	78	17	156	63	10
Mag. 27	1,120	806	1	93	134	240	102	43	19	174	31	10
Mag. 28	1,888	1,450	6	170	212	434	176	74	30	349	54	12
Mag. 29	6,818	5,710	28	587	901	1,444	909	428	139	1,274	221	12
Mag. 30	982	749	8	76	233	124	130	55	3	120	24	12
Mag. 31	727	1,118	15	151	103	234	263	111	3	238	34	12
Mag. 32	486	374		28	197	65	45	12	5	22	11	12
Mag. 33	5,472	5,335	11	603	1,170	974	935	194	281	1,168	201	12
Mag. 34	1,233	4,661	30	590	809	1,179	922	359	79	692	170	12
Mag. 35	2,556	7,231	407	484	942	1,658	1,505	571	300	1,364	280	12
Mag. 36	3,910	3,773	139	350	627	685	896	284	108	683	171	12
Mag. 37	1,385	958	77	63	155	206	161	77	55	165	39	10
Mag. 38	1,040	775	54	52	98	155	141	37	48	189	23	10
Mag. 39	1,210	1,353	108	79	165	274	237	63	86	340	43	12
Mag. 40	1,230	1,031	72	63	134	204	181	52	59	265	37	12
Mag. 41	1,408	1,011	27	129	147	169	244	82	31	183	40	10
Mag. 42	5,923	10,922	622	685	1,621	2,058	2,829	1,036	394	1,677	370	12
Mag. 44	7,386	36,721	2,103	2,327	7,074	7,279	6,712	3,281	1,402	6,543	200	12
Mag. 45	712	1,593	107	154	307	291	345	98	56	235	47	12
Mag. 46	7,070	14,074	522	912	2,528	3,112	3,527	1,062	478	1,932	236	12
Mag. 47	3,230	2,161	86	219	462	442	463	169	42	278	48	10
Mag. 48	10,612	12,756	619	1,141	2,208	2,572	2,833	1,008	416	1,958	448	12
Mag. 49	2,459	3,971	313	302	791	822	641	197	105	799	150	12
Mag. 50	1,314	3,106	310	269	546	657	452	229	71	572	102	12
Mag. 52	2,521	2,241	84	150	378	502	537	180	74	336	98	12

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 53	2,718	3,324	175	346	527	585	708	259	117	607	135	12
Mag. 55	226	311	15	32	43	41	88	32	12	48	9	12
Mag. 56	3,123	2,377	76	292	438	463	557	173	55	323	94	12
Mag. 57	658	415	14	88	95	68	77	21	6	44	12	10
Mag. 58	260	348	36	24	60	64	60	25	7	71	10	12
Mag. 59	920	712	68	90	127	143	116	35	15	118	26	12
Mag. 60	2,302	1,867	91	235	336	377	376	135	58	260	73	12
Mag. 61	2,220	3,463	162	234	599	750	811	268	101	537	124	12
Mag. 62	5,142	4,756	447	400	597	849	716	330	415	1,003	180	12
Mag. 63	1,777	5,297	471	391	826	1,091	984	507	131	897	196	12
Mag. 66	4,461	3,957	231	313	661	852	795	332	45	728	155	12
Mag. 67	1,074	1,068	44	90	214	262	191	33	54	180	45	12
Mag. 68	4,603	6,599	278	424	1,647	1,266	1,434	489	189	872	132	12
Mag. 69	3,931	8,617	520	607	1,528	1,583	1,925	767	294	1,394	277	12
Mag. 70	3,633	6,111	345	400	954	1,325	1,209	474	198	1,204	219	12
Mag. 71	6,942	6,060	226	520	1,018	1,178	1,271	593	207	1,048	267	12
Mag. 73	6,888	17,567	702	1,187	1,751	4,808	4,412	1,658	516	2,533	321	12
Mag. 74	483	323	35	47	54	47	63	34	8	35	9	10
Mag. 76	1,008	782	45	46	113	164	149	46	36	184	29	12
Mag. 77	747	754	52	50	105	149	161	47	31	156	28	12
Mag. 78	3,678	8,955	406	691	1,819	2,107	1,501	639	252	1,540	135	12
Mag. 80	3,360	9,888	524	856	1,954	2,081	1,572	700	253	1,948	186	12
Mag. 81	1,420	1,358	81	228	217	241	314	100	26	151	64	12
Mag. 82	3,804	5,440	149	595	885	1,028	1,340	468	139	837	166	12
Mag. 83	3,965	2,668	87	160	411	480	575	242	90	623	97	10
Mag. 84	1,067	2,633	161	371	539	520	427	131	77	407	77	12
Mag. 85	3,208	8,156	646	732	1,505	1,370	1,268	684	231	1,721	132	12
Mag. 86	2,648	1,689	103	306	348	268	349	77	30	208	68	10
Mag. 87	1,942	2,571	196	233	433	450	482	249	56	473	75	12
Mag. 88	1,301	1,577	90	247	228	301	280	143	41	247	62	12
Mag. 90	5,091	10,655	507	883	1,231	2,382	2,323	1,051	408	1,871	352	12
Mag. 91	5,609	5,413	207	525	1,126	1,213	1,269	388	147	538	246	12
Mag. 92	10,647	7,932	263	576	1,239	1,538	1,617	726	309	1,664	327	10
Mag. 93	860	1,030	53	218	236	153	187	59	20	104	28	12
Mag. 94	5,657	3,632	165	249	621	799	849	372	68	508	144	10
Mag. 95	12,088	10,166	341	770	1,688	1,856	2,309	959	438	1,805	394	12
Mag. 96	4,854	10,242	380	724	1,682	2,241	2,393	909	369	1,545	320	12
Mag. 97	1,323	2,737	170	182	668	528	534	157	56	443	78	12
Mag. 100	187	177	13	8	25	49	39	8	10	24	4	12
Mag. 101	2,656	2,956	177	293	510	634	605	215	83	439	123	12
Mag. 103	1,526	3,800	169	212	588	712	984	286	112	737	132	12
Mag. 104	2,341	6,391	388	251	1,190	1,269	1,308	551	287	1,147	242	12
Mag. 105	6,689	8,756	356	758	1,028	1,872	2,037	873	312	1,521	324	12

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 106	1,324	2,379	97	512	582	327	460	106	40	255	80	12
Mag. 107	1,503	1,638	75	182	256	300	382	126	50	267	54	12
Mag. 108	765	838	22	176	208	122	162	39	20	89	22	12
Mag. 110	672	577	16	130	135	74	109	33	18	63	16	12
Mag. 111	500	489	21	95	88	81	87	31	22	65	13	12
Mag. 112	730	916	33	161	161	144	174	56	44	143	26	12
Mag. 114	3,149	3,281	109	396	479	666	737	261	125	508	141	12
Mag. 116	3,124	2,612	112	412	454	418	595	175	43	403	48	12
Mag. 117	418	297		12	7	28	182	38	5	25	10	10
Mag. 119	2,701	1,918	601	136	118	149	178	62	55	619	22	12
Mag. 120	4,136	5,244	779	628	550	620	1,134	472	174	889	153	12
Mag. 121	660	494	192	44	51	40	52	19	15	80	14	10
Mag. 124	703	458	59	51	51	49	91	42	23	92	12	10
Mag. 125	543	613	44	50	55	105	159	86	24	90	13	12
Mag. 126	2,744	4,718	825	1,802	77	262	562	988	4	197	75	12
Mag. 127	9,629	19,817	1,061	2,012	3,037	2,749	4,433	2,860	1,322	2,344	319	12
Mag. 128	2,234	2,089	225	237	373	236	399	178	87	354	75	12
Mag. 129	6,827	4,831	1,001	771	613	409	246	250	57	1,484	159	10
Mag. 131	2,115	1,734	91	195	238	253	327	123	101	407	58	12
Mag. 133	3,054	2,054	224	215	274	136	284	147	74	699	77	10
Mag. 135	2,584	2,930	183	310	408	322	530	235	230	713	89	12
Mag. 137	2,767	2,314	218	264	366	184	314	155	102	711	75	12
Mag. 138	754	730	87	89	109	55	110	41	42	196	21	12
Mag. 139	994	6,161	421	985	682	874	1,426	545	248	979	151	12
Mag. 140	2,051	2,802	179	254	433	302	377	165	157	934	72	12
Mag. 141	638	427	48	42	64	36	75	22	16	123	13	10
Mag. 142	6,447	5,922	426	640	868	437	851	349	265	2,085	101	12
Mag. 144	2,786	7,494	436	922	945	949	1,273	409	603	1,958	133	12
Mag. 145	1,197	1,827	101	258	476	113	211	150	72	447	51	12
Mag. 146	8,435	6,294	459	765	1,033	485	872	393	349	1,939	208	10
Mag. 147	1,560	998	148	121	143	58	109	54	49	317	35	10
Mag. 148	1,271	1,313	81	137	207	170	243	103	73	299	36	12
Mag. 150	2,196	1,549	191	169	231	99	204	110	49	496	55	10
Mag. 151	2,554	2,610	197	306	479	199	363	186	133	747	77	12
Mag. 152	1,479	1,140	69	74	129	79	147	70	92	481	34	12
Mag. 153	1,227	1,340	135	124	181	124	206	96	62	410	36	12
Mag. 157	953	1,020	5	19	29	13	501	209	5	239	30	12
Mag. 158	50	54			10	13	15	14	1	1	6	12
Mag. 159	852	1,026	330	137	99	119	192	26	15	108	22	12
Mag. 160	9,778	6,712	719	906	755	922	1,648	673	222	867	255	10
Mag. 161	57	196					134	55	7		4	12
Mag. 162	8,341	5,231	270	512	495	880	1,483	719	206	668	195	10
Mag. 163	208	234	25	41	26	14	69	30	7	24	8	12

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 164	461	461	266	76	7	41	45	5	1	20	18	12
Mag. 165	3,535	6,356	343	408	955	597	935	1,390	581	1,147	193	12
Mag. 166	1,179	5,468	441	932	649	519	668	775	487	997	145	12
Mag. 169	1,466	5,049	1,405	589	413	458	1,095	300	121	668	123	12
Mag. 170	1,636	5,634	489	678	713	685	1,147	623	214	1,085	146	12
Mag. 171	3,674	4,644	800	566	437	599	935	404	142	760	141	12
Mag. 172	16,253	15,665	1,095	2,090	1,784	2,943	3,507	1,772	560	1,913	562	12
Mag. 173	6,949	6,859	298	470	637	1,736	2,137	742	125	714	230	12
Mag. 174	732	2,316	89	342	316	152	418	114	190	696	19	12
Mag. 175	1,776	5,617	262	683	880	759	1,271	418	294	1,050	46	12
Mag. 176	232	815	28	120	123	84	127	35	53	246	21	12
Mag. 177	494	1,736	302	179	204	197	376	112	77	288	43	12
Mag. 178	828	616	19	74	71	51	91	36	45	228	20	10
Mag. 179	358	266	48	27	33	34	47	16	16	45	7	10
Mag. 180	76	101	4	12	13	13	11	11	8	29	3	12
Mag. 181	391	522	127	59	68	51	88	24	24	81	14	12
Mag. 183	3,873	2,820	33	644	355	843	131	55	35	723	93	10
Mag. 184	150	114	1	36	13	21	17	5	20	3	12	12
Mag. 185	87	75	2	29	5	9	11	5	2	11	2	12
Mag. 186	762	651	9	239	61	109	116	32	17	67	9	12
Mag. 187	1,035	1,215	21	366	106	215	232	81	39	155	14	12
Mag. 189	185	174	7	55	13	30	22	6	1	40	5	12
Mag. 190	289	329	5	73	42	58	51	26	10	64	13	12
Mag. 191	388	1,141	29	312	135	229	176	29	29	200	21	12
Mag. 192	366	258	11	62	32	56	32	22	8	35	6	10
Mag. 193	3,707	3,256	90	557	498	897	444	318	33	420	113	12
Mag. 194	2,543	4,705	113	988	686	982	725	387	67	757	151	12
Mag. 195	6,293	5,732	94	1,305	773	1,581	470	202	103	1,203	178	12
Mag. 196	247	171	2	55	17	34	24	6	3	31	5	10
Mag. 197	4,790	3,058	92	264	304	674	523	366	213	622	115	10
Mag. 198	2,142	2,249	38	517	327	462	337	164	81	324	65	12
Mag. 199	1,937	1,513	23	507	158	327	175	80	36	208	48	12
Mag. 200	2,920	2,397	34	395	338	534	277	149	81	590	77	12
Mag. 201	1,785	1,529	21	485	184	301	222	60	39	218	48	12
Mag. 202	266	208	3	58	30	48	25	5	2	38	5	12
Mag. 203	1,417	1,454	37	497	195	243	140	80	50	212	41	12
Mag. 204	656	478	12	75	63	100	91	39	17	82	13	10
Mag. 205	1,458	1,470	11	377	202	349	196	94	42	200	40	12
Mag. 206	29,044	21,853	503	2,170	2,253	5,649	3,872	1,943	894	4,568	680	12
Mag. 207	904	761	16	171	89	147	130	72	15	120	20	12
Mag. 208	6,826	7,611	235	882	1,010	1,892	1,494	683	227	1,186	234	12
Mag. 209	2,191	1,562	37	279	232	356	242	137	53	226	56	10
Mag. 210	404	256	5	74	32	56	36	12	6	36	8	10

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 211	1,158	1,621	32	423	193	354	256	140	38	185	39	12
Mag. 212	729	470	15	130	53	99	56	29	12	77	13	10
Mag. 214	852	699	12	165	62	145	128	48	21	118	18	12
Mag. 215	1,781	1,462	38	190	179	341	315	156	48	195	48	12
Mag. 216	300	199	3	65	28	37	29	11	6	20	5	10
Mag. 217	1,820	1,406	39	510	151	255	193	54	35	170	8	12
Mag. 218	820	918	15	255	87	215	156	77	20	93	22	12
Mag. 220	249	247	8	92	29	27	48	10	2	32	6	12
Mag. 221	204	184	8	63	21	30	23	4	5	30	5	12
Mag. 223	941	844	23	308	70	124	161	50	13	95	12	12
Mag. 224	748	529	7	170	68	99	68	27	11	79	7	10
Mag. 226	1,054	767	13	182	131	138	131	52	22	98	10	12
Mag. 227	479	362	5	90	50	88	56	19	12	43	9	12
Mag. 228	1,896	1,863	57	369	252	444	271	119	41	311	53	12
Mag. 229	640	848	24	307	90	135	117	45	19	111	15	12
Mag. 230	283	235	7	81	31	38	31	12	4	32	6	12
Mag. 231	1,796	2,263	77	490	316	544	314	108	43	370	62	12
Mag. 232	503	479	30	175	47	70	58	25	6	68	12	12
Mag. 237	560	444	12	158	54	78	64	23	10	44	11	12
Mag. 239	1,336	1,269	32	403	154	220	203	80	25	152	11	12
Mag. 240	1,660	1,971	50	710	195	333	278	119	26	261	27	12
Mag. 241	30,543	21,954	627	1,770	3,864	4,942	4,324	2,128	694	3,606	319	10
Mag. 242	717	556	16	126	73	110	99	49	18	65	16	12
Mag. 243	2,584	1,615	34	476	214	303	264	139	23	163	42	10
Mag. 244	4,022	7,039	89	971	915	1,463	1,129	408	247	1,817	172	12
Mag. 245	1,241	1,264	29	162	179	302	283	115	45	150	22	12
Mag. 247	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 249	4,586	4,156	115	759	550	952	751	334	114	581	111	12
Mag. 250	9,312	9,953	216	1,851	1,523	1,853	1,599	907	428	1,575	270	12
Mag. 251	7,710	9,204	216	1,141	1,546	2,041	1,511	937	172	1,639	272	12
Mag. 252	1,318	857	20	256	98	137	178	53	21	93	17	10
Mag. 253	7,625	12,647	306	2,285	1,710	2,650	2,229	870	408	2,188	210	12
Mag. 254	1,704	1,086	20	337	126	198	186	55	23	143	36	10
Mag. 255	3,712	8,166	231	889	1,236	1,802	1,415	658	321	1,615	240	12
Mag. 256	1,494	1,681	43	430	190	357	237	132	27	266	46	12
Mag. 257	5,643	11,286	270	1,516	1,538	2,646	2,164	1,080	316	1,756	184	12
Mag. 259	2,748	3,744	76	1,417	365	616	572	196	65	436	45	12
Mag. 260	9,647	10,294	272	2,128	1,293	2,130	1,818	773	310	1,569	75	12
Mag. 261	1,126	894	26	233	112	171	134	40	28	150	26	12
Mag. 262	337	337	18	61	53	79	48	28	12	38	5	12
Mag. 263	12,809	17,745	504	3,189	2,405	4,041	2,643	1,419	497	3,046	191	12
Mag. 264	333	208	4	40	29	51	33	16	9	26	6	10
Mag. 265	803	1,706	30	421	244	361	225	117	57	251	26	12

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 266	1,542	3,759	115	583	558	917	512	285	161	629	94	12
Mag. 267	17,392	16,521	513	3,141	2,174	3,509	2,539	1,339	522	2,786	214	12
Mag. 268	36,497	27,069	881	3,272	4,344	6,318	4,827	2,430	727	4,269	248	12
Mag. 269	1,782	1,314	38	317	148	259	205	102	29	215	14	12
Mag. 270	955	728	18	160	91	146	124	53	25	111	13	12
Mag. 271	26	19	6	8	1	1	1				1	10
Mag. 272	680	631	19	78	85	151	107	44	32	114	20	12
Mag. 273	906	1,087	28	287	142	217	140	72	28	174	29	12
Mag. 274	178	147	2	39	22	33	21	10	2	17	4	12
Mag. 275	370	252	7	37	33	68	50	17	5	35	4	10
Mag. 276	885	625	18	69	65	102	163	57	30	122	19	10
Mag. 277	4,018	4,269	103	660	523	921	676	318	244	825	134	12
Mag. 278	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 279	4,004	4,004	97	616	490	863	637	298	229	774	99	12
Mag. 280	1,099	1,058	27	366	117	173	170	69	19	116	14	12
Mag. 281	11,908	20,839	564	3,430	3,133	4,524	3,334	1,636	681	3,539	253	12
Mag. 282	2,478	2,633	69	696	289	509	423	208	73	366	75	12
Mag. 283	1,150	934	20	186	117	193	179	70	29	140	12	12
Mag. 284	2,497	2,809	68	306	347	601	340	250	219	680	16	12
Mag. 285	537	349	11	105	40	72	46	17	6	53	10	10
Mag. 286	1,262	1,388	43	334	158	290	234	109	25	194	38	12
Mag. 289	1,619	2,125	46	517	268	421	379	198	71	224	55	12
Mag. 290	4,566	6,849	144	1,085	851	1,512	1,230	606	209	1,214	165	12
Mag. 292	3,593	4,416	96	1,265	456	751	945	207	122	575	45	12
Mag. 293	966	628	14	88	88	144	127	54	21	92	16	10
Mag. 294	15,205	20,374	717	3,340	2,883	4,172	3,362	1,632	709	3,560	253	12
Mag. 295	4,574	3,394	98	755	459	771	395	137	60	718	60	12
Mag. 296	697	1,934	50	322	291	377	391	150	56	297	50	12
Mag. 297	6,196	10,416	303	1,115	1,704	2,641	1,582	703	378	1,990	172	12
Mag. 298	23,051	21,610	606	2,687	3,082	5,101	4,093	2,049	617	3,376	399	12
Mag. 299	1,296	2,464	71	438	340	499	477	207	87	345	62	12
Mag. 301	16,472	24,161	874	3,494	3,698	5,317	3,610	1,812	873	4,482	183	12
Mag. 302	1,450	3,974	66	559	559	956	507	329	230	767	43	12
Mag. 303	5,629	9,576	189	1,522	1,396	2,257	1,554	737	353	1,567	95	12
Mag. 304	344	636	13	255	50	91	100	50	17	61	17	12
Mag. 305	860	1,161	30	452	119	184	185	54	30	108	16	12
Mag. 306	3,798	5,887	93	784	806	1,274	1,217	481	256	977	27	12
Mag. 307	1,035	1,067	19	128	121	157	282	117	46	199	29	12
Mag. 309	935	1,110	39	290	145	228	159	87	33	129	29	12
Mag. 310	451	933	14	128	108	211	197	85	58	132	19	12
Mag. 311	272	279	3	82	28	67	44	12	10	33	7	12
Mag. 313	4,686	10,848	352	1,319	1,688	2,472	1,839	1,028	433	1,717	71	12
Mag. 314	2,120	3,816	119	673	562	958	634	328	68	475	54	12

QUALIFYING PUBLICATIONS
10 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 315	1,457	2,345	61	641	277	455	361	171	74	306	32	12
Mag. 316	3,393	4,877	164	1,268	756	962	818	311	116	483	50	12
Mag. 318	3,451	4,745	118	714	670	1,112	858	444	114	715	138	12
Mag. 321	1,183	1,006	20	251	98	166	111	83	9	269	34	12
Mag. 322	258	197	3	44	27	37	26	14	5	40	5	12
Mag. 323	2,065	1,678	37	394	206	358	275	100	48	260	55	12
Mag. 324	7,816	11,724	468	1,581	1,563	2,913	2,487	1,091	459	1,163	236	12
Mag. 325	3,080	3,320	60	775	454	866	331	123	89	622	49	12
Mag. 326	1,517	1,707	563	662	122	98	152	19	12	80	45	12
Mag. 327	470	710	14	97	76	168	127	40	44	144	12	12
Mag. 328	913	1,123	21	171	92	216	209	57	98	258	9	12
Mag. 329	3,236	2,184	65	387	312	562	317	153	51	338	37	10
Mag. 330	610	2,169	32	284	306	480	498	171	85	313	46	12
Mag. 331	2,872	6,050	106	847	880	1,267	1,282	506	245	917	34	12
Mag. 332	1,063	2,233	38	313	346	478	483	183	80	312	25	12
Mag. 333	2,122	6,770	143	997	869	1,441	1,411	564	329	1,015	50	12
Mag. 334	990	5,735	116	914	852	1,424	731	487	260	950	64	12
Mag. 337	11,800	9,072	286	1,087	1,378	2,093	1,332	733	395	1,767	283	12
Mag. 338	767	978	18	129	129	230	191	71	51	159	19	12
Mag. 339	3,329	3,371	103	760	430	705	615	222	76	460	100	12
Mag. 341	2,335	2,932	92	723	513	639	334	142	98	392	36	12
Mag. 342	343	240	3	66	25	62	31	11	4	40	7	10
Mag. 343	6,472	8,252	238	1,438	1,109	1,799	1,419	778	199	1,271	150	12
Mag. 344	790	1,126	41	328	135	198	164	56	20	184	30	12
Mag. 346	4,071	6,870	138	589	680	1,286	1,492	778	444	1,463	207	12
	920,834	1,180,801	47,132	152,016	174,785	249,542	214,654	97,204	41,363	204,105	29,041	

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold	
Mag. 1	3,467	3,703		5	352	724	791	335	226	245	1,026	55	12
Mag. 2	702	678		3	70	145	172	59	40	36	155	21	12
Mag. 3	1,653	2,579		6	176	560	579	273	134	198	652	100	12
Mag. 4	733	2,192		6	278	443	583	194	117	120	451	75	12
Mag. 5	1,061	1,589		3	91	340	348	163	120	93	431	55	12
Mag. 6	752	1,922		8	197	442	491	169	84	169	363	79	12
Mag. 8	5,391	8,518			363	1,352	2,816	1,789	978	202	1,018	334	12
Mag. 11	5,559	5,476		25	418	637	1,588	991	346	123	1,348	217	12
Mag. 12	10,865	16,458		88	1,040	2,919	4,652	3,090	1,075	578	3,015	915	12
Mag. 15	1,223	1,513		7	115	205	359	366	167	63	230	48	12
Mag. 16	105	184		4	19	19	42	44	11	23	23	8	12
Mag. 17	17,608	63,125		272	8,256	8,582	19,943	8,955	3,746	1,305	12,064	1,716	12
Mag. 19	10,189	9,170		48	731	1,945	2,376	1,545	1,042	367	1,116	328	12
Mag. 21	18,890	17,001		50	1,386	2,622	4,246	3,308	1,728	804	2,858	657	12
Mag. 23	5,577	4,986		30	320	848	1,352	1,007	342	161	928	194	12
Mag. 24	7,366	6,400		47	364	1,319	1,761	1,217	431	243	1,017	259	12
Mag. 28	1,888	1,450		6	170	212	434	176	74	30	349	54	12
Mag. 29	6,818	5,710		28	587	901	1,444	909	428	139	1,274	221	12
Mag. 30	982	749		8	76	233	124	130	55	3	120	24	12
Mag. 31	727	1,118		15	151	103	234	263	111	3	238	34	12
Mag. 32	486	374			28	197	65	45	12	5	22	11	12
Mag. 33	5,472	5,335		11	603	1,170	974	935	194	281	1,168	201	12
Mag. 34	1,233	4,661		30	590	809	1,179	922	359	79	692	170	12
Mag. 35	2,556	7,231		407	484	942	1,658	1,505	571	300	1,364	280	12
Mag. 36	3,910	3,773		139	350	627	685	896	284	108	683	171	12
Mag. 39	1,210	1,353		108	79	165	274	237	63	86	340	43	12
Mag. 40	1,230	1,031		72	63	134	204	181	52	59	265	37	12
Mag. 42	5,923	10,922		622	685	1,621	2,058	2,829	1,036	394	1,677	370	12
Mag. 44	7,386	36,721		2,103	2,327	7,074	7,279	6,712	3,281	1,402	6,543	200	12
Mag. 45	712	1,593		107	154	307	291	345	98	56	235	47	12
Mag. 46	7,070	14,074		522	912	2,528	3,112	3,527	1,062	478	1,932	236	12
Mag. 48	10,612	12,756		619	1,141	2,208	2,572	2,833	1,008	416	1,958	448	12
Mag. 49	2,459	3,971		313	302	791	822	641	197	105	799	150	12
Mag. 50	1,314	3,106		310	269	546	657	452	229	71	572	102	12
Mag. 52	2,521	2,241		84	150	378	502	537	180	74	336	98	12
Mag. 53	2,718	3,324		175	346	527	585	708	259	117	607	135	12
Mag. 55	226	311		15	32	43	41	88	32	12	48	9	12
Mag. 56	3,123	2,377		76	292	438	463	557	173	55	323	94	12
Mag. 58	260	348		36	24	60	64	60	25	7	71	10	12
Mag. 59	920	712		68	90	127	143	116	35	15	118	26	12
Mag. 60	2,302	1,867		91	235	336	377	376	135	58	260	73	12
Mag. 61	2,220	3,463		162	234	599	750	811	268	101	537	124	12
Mag. 62	5,142	4,756		447	400	597	849	716	330	415	1,003	180	12

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 63	1,777	5,297	471	391	826	1,091	984	507	131	897	196	12
Mag. 66	4,461	3,957	231	313	661	852	795	332	45	728	155	12
Mag. 67	1,074	1,068	44	90	214	262	191	33	54	180	45	12
Mag. 68	4,603	6,599	278	424	1,647	1,266	1,434	489	189	872	132	12
Mag. 69	3,931	8,617	520	607	1,528	1,583	1,925	767	294	1,394	277	12
Mag. 70	3,633	6,111	345	400	954	1,325	1,209	474	198	1,204	219	12
Mag. 71	6,942	6,060	226	520	1,018	1,178	1,271	593	207	1,048	267	12
Mag. 73	6,888	17,567	702	1,187	1,751	4,808	4,412	1,658	516	2,533	321	12
Mag. 76	1,008	782	45	46	113	164	149	46	36	184	29	12
Mag. 77	747	754	52	50	105	149	161	47	31	156	28	12
Mag. 78	3,678	8,955	406	691	1,819	2,107	1,501	639	252	1,540	135	12
Mag. 80	3,360	9,888	524	856	1,954	2,081	1,572	700	253	1,948	186	12
Mag. 81	1,420	1,358	81	228	217	241	314	100	26	151	64	12
Mag. 82	3,804	5,440	149	595	885	1,028	1,340	468	139	837	166	12
Mag. 84	1,067	2,633	161	371	539	520	427	131	77	407	77	12
Mag. 85	3,208	8,156	646	732	1,505	1,370	1,268	684	231	1,721	132	12
Mag. 87	1,942	2,571	196	233	433	450	482	249	56	473	75	12
Mag. 88	1,301	1,577	90	247	228	301	280	143	41	247	62	12
Mag. 90	5,091	10,655	507	883	1,231	2,382	2,323	1,051	408	1,871	352	12
Mag. 91	5,609	5,413	207	525	1,126	1,213	1,269	388	147	538	246	12
Mag. 93	860	1,030	53	218	236	153	187	59	20	104	28	12
Mag. 95	12,088	10,166	341	770	1,688	1,856	2,309	959	438	1,805	394	12
Mag. 96	4,854	10,242	380	724	1,682	2,241	2,393	909	369	1,545	320	12
Mag. 97	1,323	2,737	170	182	668	528	534	157	56	443	78	12
Mag. 100	187	177	13	8	25	49	39	8	10	24	4	12
Mag. 101	2,656	2,956	177	293	510	634	605	215	83	439	123	12
Mag. 103	1,526	3,800	169	212	588	712	984	286	112	737	132	12
Mag. 104	2,341	6,391	388	251	1,190	1,269	1,308	551	287	1,147	242	12
Mag. 105	6,689	8,756	356	758	1,028	1,872	2,037	873	312	1,521	324	12
Mag. 106	1,324	2,379	97	512	582	327	460	106	40	255	80	12
Mag. 107	1,503	1,638	75	182	256	300	382	126	50	267	54	12
Mag. 108	765	838	22	176	208	122	162	39	20	89	22	12
Mag. 110	672	577	16	130	135	74	109	33	18	63	16	12
Mag. 111	500	489	21	95	88	81	87	31	22	65	13	12
Mag. 112	730	916	33	161	161	144	174	56	44	143	26	12
Mag. 114	3,149	3,281	109	396	479	666	737	261	125	508	141	12
Mag. 116	3,124	2,612	112	412	454	418	595	175	43	403	48	12
Mag. 119	922	723	591	111	14					7	10	12
Mag. 120	4,136	5,244	779	628	550	620	1,134	472	174	889	153	12
Mag. 125	543	613	44	50	55	105	159	86	24	90	13	12
Mag. 126	2,744	4,718	825	1,802	77	262	562	988	4	197	75	12
Mag. 127	9,629	19,817	1,061	2,012	3,037	2,749	4,433	2,860	1,322	2,344	319	12
Mag. 128	2,234	2,089	225	237	373	236	399	178	87	354	75	12

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 131	2,115	1,734	91	195	238	253	327	123	101	407	58	12
Mag. 135	2,584	2,930	183	310	408	322	530	235	230	713	89	12
Mag. 137	2,767	2,314	218	264	366	184	314	155	102	711	75	12
Mag. 138	754	730	87	89	109	55	110	41	42	196	21	12
Mag. 139	994	6,161	421	985	682	874	1,426	545	248	979	151	12
Mag. 140	2,051	2,802	179	254	433	302	377	165	157	934	72	12
Mag. 142	6,447	5,922	426	640	868	437	851	349	265	2,085	101	12
Mag. 144	2,786	7,494	436	922	945	949	1,273	409	603	1,958	133	12
Mag. 145	1,197	1,827	101	258	476	113	211	150	72	447	51	12
Mag. 148	1,271	1,313	81	137	207	170	243	103	73	299	36	12
Mag. 151	2,554	2,610	197	306	479	199	363	186	133	747	77	12
Mag. 152	1,479	1,140	69	74	129	79	147	70	92	481	34	12
Mag. 153	1,227	1,340	135	124	181	124	206	96	62	410	36	12
Mag. 157	953	1,020	5	19	29	13	501	209	5	239	30	12
Mag. 158	50	54			10	13	15	14	1	1	6	12
Mag. 159	852	1,026	330	137	99	119	192	26	15	108	22	12
Mag. 161	57	196					134	55	7		4	12
Mag. 163	208	234	25	41	26	14	69	30	7	24	8	12
Mag. 164	461	461	266	76	7	41	45	5	1	20	18	12
Mag. 165	3,535	6,356	343	408	955	597	935	1,390	581	1,147	193	12
Mag. 166	1,179	5,468	441	932	649	519	668	775	487	997	145	12
Mag. 169	1,466	5,049	1,405	589	413	458	1,095	300	121	668	123	12
Mag. 170	1,636	5,634	489	678	713	685	1,147	623	214	1,085	146	12
Mag. 171	3,674	4,644	800	566	437	599	935	404	142	760	141	12
Mag. 172	16,253	15,665	1,095	2,090	1,784	2,943	3,507	1,772	560	1,913	562	12
Mag. 173	6,949	6,859	298	470	637	1,736	2,137	742	125	714	230	12
Mag. 174	732	2,316	89	342	316	152	418	114	190	696	19	12
Mag. 175	1,776	5,617	262	683	880	759	1,271	418	294	1,050	46	12
Mag. 176	232	815	28	120	123	84	127	35	53	246	21	12
Mag. 177	494	1,736	302	179	204	197	376	112	77	288	43	12
Mag. 180	76	101	4	12	13	13	11	11	8	29	3	12
Mag. 181	391	522	127	59	68	51	88	24	24	81	14	12
Mag. 184	150	114	1	36	13	21	17	5		20	3	12
Mag. 185	87	75	2	29	5	9	11	5	2	11	2	12
Mag. 186	762	651	9	239	61	109	116	32	17	67	9	12
Mag. 187	1,035	1,215	21	366	106	215	232	81	39	155	14	12
Mag. 189	185	174	7	55	13	30	22	6	1	40	5	12
Mag. 190	289	329	5	73	42	58	51	26	10	64	13	12
Mag. 191	388	1,141	29	312	135	229	176	29	29	200	21	12
Mag. 193	3,707	3,256	90	557	498	897	444	318	33	420	113	12
Mag. 194	2,543	4,705	113	988	686	982	725	387	67	757	151	12
Mag. 195	6,293	5,732	94	1,305	773	1,581	470	202	103	1,203	178	12
Mag. 198	2,142	2,249	38	517	327	462	337	164	81	324	65	12

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 199	1,937	1,513	23	507	158	327	175	80	36	208	48	12
Mag. 200	2,920	2,397	34	395	338	534	277	149	81	590	77	12
Mag. 201	1,785	1,529	21	485	184	301	222	60	39	218	48	12
Mag. 202	266	208	3	58	30	48	25	5	2	38	5	12
Mag. 203	1,417	1,454	37	497	195	243	140	80	50	212	41	12
Mag. 205	1,458	1,470	11	377	202	349	196	94	42	200	40	12
Mag. 206	29,044	21,853	503	2,170	2,253	5,649	3,872	1,943	894	4,568	680	12
Mag. 207	904	761	16	171	89	147	130	72	15	120	20	12
Mag. 208	6,826	7,611	235	882	1,010	1,892	1,494	683	227	1,186	234	12
Mag. 211	1,158	1,621	32	423	193	354	256	140	38	185	39	12
Mag. 214	852	699	12	165	62	145	128	48	21	118	18	12
Mag. 215	1,781	1,462	38	190	179	341	315	156	48	195	48	12
Mag. 217	1,092	877	24	318	94	159	120	34	22	106	8	12
Mag. 218	820	918	15	255	87	215	156	77	20	93	22	12
Mag. 220	249	247	8	92	29	27	48	10	2	32	6	12
Mag. 221	204	184	8	63	21	30	23	4	5	30	5	12
Mag. 223	941	844	23	308	70	124	161	50	13	95	12	12
Mag. 226	527	411	7	98	70	74	70	28	12	52	10	12
Mag. 227	479	362	5	90	50	88	56	19	12	43	9	12
Mag. 228	1,896	1,863	57	369	252	444	271	119	41	311	53	12
Mag. 229	320	618	17	224	66	99	85	33	14	81	15	12
Mag. 230	283	235	7	81	31	38	31	12	4	32	6	12
Mag. 231	1,796	2,263	77	490	316	544	314	108	43	370	62	12
Mag. 232	503	479	30	175	47	70	58	25	6	68	12	12
Mag. 237	560	444	12	158	54	78	64	23	10	44	11	12
Mag. 239	1,336	1,269	32	403	154	220	203	80	25	152	11	12
Mag. 240	1,660	1,971	50	710	195	333	278	119	26	261	27	12
Mag. 242	717	556	16	126	73	110	99	49	18	65	16	12
Mag. 244	4,022	7,039	89	971	915	1,463	1,129	408	247	1,817	172	12
Mag. 245	1,241	1,264	29	162	179	302	283	115	45	150	22	12
Mag. 247	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 249	4,586	4,156	115	759	550	952	751	334	114	581	111	12
Mag. 250	9,312	9,953	216	1,851	1,523	1,853	1,599	907	428	1,575	270	12
Mag. 251	7,710	9,204	216	1,141	1,546	2,041	1,511	937	172	1,639	272	12
Mag. 253	7,625	12,647	306	2,285	1,710	2,650	2,229	870	408	2,188	210	12
Mag. 255	3,712	8,166	231	889	1,236	1,802	1,415	658	321	1,615	240	12
Mag. 256	1,494	1,681	43	430	190	357	237	132	27	266	46	12
Mag. 257	5,643	11,286	270	1,516	1,538	2,646	2,164	1,080	316	1,756	184	12
Mag. 259	2,748	3,744	76	1,417	365	616	572	196	65	436	45	12
Mag. 260	7,679	8,867	236	1,807	1,117	1,843	1,572	669	268	1,356	75	12
Mag. 261	1,126	894	26	233	112	171	134	40	28	150	26	12
Mag. 262	337	337	18	61	53	79	48	28	12	38	5	12
Mag. 263	12,809	17,745	504	3,189	2,405	4,041	2,643	1,419	497	3,046	191	12

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 265	803	1,706	30	421	244	361	225	117	57	251	26	12
Mag. 266	1,542	3,759	115	583	558	917	512	285	161	629	94	12
Mag. 267	8,113	10,141	326	1,705	1,384	2,131	1,624	856	333	1,783	213	12
Mag. 268	12,163	9,122	299	1,109	1,462	2,125	1,625	818	251	1,436	212	12
Mag. 269	872	654	20	143	76	131	110	52	14	109	14	12
Mag. 270	955	728	18	160	91	146	124	53	25	111	13	12
Mag. 272	680	631	19	78	85	151	107	44	32	114	20	12
Mag. 273	906	1,087	28	287	142	217	140	72	28	174	29	12
Mag. 274	178	147	2	39	22	33	21	10	2	17	4	12
Mag. 277	4,018	4,269	103	660	523	921	676	318	244	825	134	12
Mag. 278	1,466	1,228	37	91	133	256	329	146	43	193	46	12
Mag. 279	4,004	4,004	97	616	490	863	637	298	229	774	99	12
Mag. 280	1,099	1,058	27	366	117	173	170	69	19	116	14	12
Mag. 281	11,908	20,839	564	3,430	3,133	4,524	3,334	1,636	681	3,539	253	12
Mag. 282	2,478	2,633	69	696	289	509	423	208	73	366	75	12
Mag. 283	1,150	934	20	186	117	193	179	70	29	140	12	12
Mag. 284	2,497	2,809	68	306	347	601	340	250	219	680	16	12
Mag. 286	1,262	1,388	43	334	158	290	234	109	25	194	38	12
Mag. 289	1,619	2,125	46	517	268	421	379	198	71	224	55	12
Mag. 290	4,566	6,849	144	1,085	851	1,512	1,230	606	209	1,214	165	12
Mag. 292	3,593	4,416	96	1,265	456	751	945	207	122	575	45	12
Mag. 294	15,205	20,374	717	3,340	2,883	4,172	3,362	1,632	709	3,560	253	12
Mag. 295	2,140	1,873	58	336	267	450	229	80	36	417	59	12
Mag. 296	697	1,934	50	322	291	377	391	150	56	297	50	12
Mag. 297	6,196	10,416	303	1,115	1,704	2,641	1,582	703	378	1,990	172	12
Mag. 298	23,051	21,610	606	2,687	3,082	5,101	4,093	2,049	617	3,376	399	12
Mag. 299	1,296	2,464	71	438	340	499	477	207	87	345	62	12
Mag. 301	16,472	24,161	874	3,494	3,698	5,317	3,610	1,812	873	4,482	183	12
Mag. 302	1,450	3,974	66	559	559	956	507	329	230	767	43	12
Mag. 303	5,629	9,576	189	1,522	1,396	2,257	1,554	737	353	1,567	95	12
Mag. 304	344	636	13	255	50	91	100	50	17	61	17	12
Mag. 305	860	1,161	30	452	119	184	185	54	30	108	16	12
Mag. 306	3,798	5,887	93	784	806	1,274	1,217	481	256	977	27	12
Mag. 307	1,035	1,067	19	128	121	157	282	117	46	199	29	12
Mag. 309	935	1,110	39	290	145	228	159	87	33	129	29	12
Mag. 310	451	933	14	128	108	211	197	85	58	132	19	12
Mag. 311	272	279	3	82	28	67	44	12	10	33	7	12
Mag. 313	4,644	10,819	352	1,314	1,684	2,463	1,836	1,027	433	1,710	71	12
Mag. 314	2,120	3,816	119	673	562	958	634	328	68	475	54	12
Mag. 315	1,457	2,345	61	641	277	455	361	171	74	306	32	12
Mag. 316	3,393	4,877	164	1,268	756	962	818	311	116	483	50	12
Mag. 318	3,451	4,745	118	714	670	1,112	858	444	114	715	138	12
Mag. 321	1,183	1,006	20	251	98	166	111	83	9	269	34	12

QUALIFYING PUBLICATIONS
12 OUNCE CUTOFF

TitleID	copies	pounds	1	2	3	4	5	6	7	8	SackCnt	ozThreshold
Mag. 322	258	197	3	44	27	37	26	14	5	40	5	12
Mag. 323	2,065	1,678	37	394	206	358	275	100	48	260	55	12
Mag. 324	7,816	11,724	468	1,581	1,563	2,913	2,487	1,091	459	1,163	236	12
Mag. 325	3,080	3,320	60	775	454	866	331	123	89	622	49	12
Mag. 326	1,517	1,707	563	662	122	98	152	19	12	80	45	12
Mag. 327	470	710	14	97	76	168	127	40	44	144	12	12
Mag. 328	913	1,123	21	171	92	216	209	57	98	258	9	12
Mag. 330	610	2,169	32	284	306	480	498	171	85	313	46	12
Mag. 331	2,872	6,050	106	847	880	1,267	1,282	506	245	917	34	12
Mag. 332	1,063	2,233	38	313	346	478	483	183	80	312	25	12
Mag. 333	2,122	6,770	143	997	869	1,441	1,411	564	329	1,015	50	12
Mag. 334	990	5,735	116	914	852	1,424	731	487	260	950	64	12
Mag. 337	11,800	9,072	286	1,087	1,378	2,093	1,332	733	395	1,767	283	12
Mag. 338	767	978	18	129	129	230	191	71	51	159	19	12
Mag. 339	3,329	3,371	103	760	430	705	615	222	76	460	100	12
Mag. 341	2,335	2,932	92	723	513	639	334	142	98	392	36	12
Mag. 343	6,472	8,252	238	1,438	1,109	1,799	1,419	778	199	1,271	150	12
Mag. 344	790	1,126	41	328	135	198	164	56	20	184	30	12
Mag. 346	4,071	6,870	138	589	680	1,286	1,492	778	444	1,463	207	12
	739,917	1,054,135	40,879	135,180	155,984	225,452	192,172	86,745	37,328	180,395	26,114	

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ABM/USPS-T1-5. Please describe in detail, provide all documents related to, and provide the results of any study, investigation or other effort made by or on behalf of the Postal Service to determine the nonpostal costs to the mailer of participating in the proposed experiment, including but not limited to (1) transportation costs, (2) administrative and other costs incurred and passed on by printers and/or consolidators for performing the co-palletizing, arranging for shipping and preparing paperwork, and (3) internal costs (to the publisher).

RESPONSE:

The Postal Service did no study or investigation to determine the non-postal cost incurred by mailers to prepare or transport co-palletized mail or the cost incurred in preparing documentation for co-palletization. The proposed discounts are based on cost savings that accrue to the Postal Service, not on the costs incurred by the mailers.

However, discussions with CADMUS led us to believe that their costs of co-palletizing and dropshipping would be offset by the proposed discounts, when added to the existing Periodicals incentives for palletization and dropshipping.

The only nonpostal cost estimate of which I am personally aware is that the transportation costs for moving mail to a consolidator and dropshipping can be on average \$5 to \$6 per 100 pounds.

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ABM/USPS-T1-6. Please refer to the November, 2003 report by the Postal Service in Docket No. MC2002-3 reflecting co-palletization during the end of FY 2003 and respond to the following: (a) please update that report with the latest available data, (b) for the data in the far right column on that report and any updated data provided, please separately identify the number of co-palletized pieces included in the total that were co-palletized prior to the initiation of the rate approved in Docket No. MC2002-3, (c) for each accounting period and total, please state the number and average weight of the "new pallets prepared as a result of co-palletization," and (d) state how many titles have terminated participation in the co-palletization program.

RESPONSE:

(a) Please see "DOCKET NO. MC2002-3 COPALLETIZATION DATA COLLECTION REPORT FY 2003 AP9 THROUGH MARCH 2004" on the following page.

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DOCKET NO. MC2002-3
COPALLETIZATION DATA COLLECTION REPORT
FY 2003 AP9 THROUGH MARCH 2004

Time Period	No. of Pieces ADC Discount	No. of Pieces SCF Discount	No. of Titles	Sacks Pre-Copalletization			Pallets Pre-Copalletization			Sacks After Copalletization			Pallets After Copalletization		
				No.	Weight	Pieces	No.	Weight	Pieces	No.	Weight	Pieces	No.*	Weight	Pieces
AP 9 - 2003	381,677	-	16	8,572	145,202	414,031	323	124,922	253,553	438	7,369	30,000	181	131,194	384,031
AP10 - 2003	511,710	749,851	62	30,382	639,032	1,533,520	621	282,425	351,157	1,082	23,178	46,767	3,504	615,854	1,486,753
AP 11 - 2003	836,819	648,936	24	34,520	680,867	1,771,811	811	392,429	967,239	800	34,977	125,814	3,213	652,856	1,645,997
AP12 - 2003	775,020	701,984	9	33,768	704,873	1,700,002	371	124,458	354,005	773	13,964	31,001	3,559	690,908	1,669,001
AP13 - 2003	608,645	727,672	3	31,551	624,633	1,534,641	219	77,223	199,624	1,107	22,106	43,625	3,493	604,269	1,491,016
Transition Period - 2003	1,266,355	899,430	5	51,861	1,007,852	2,450,177	1,255	661,992	1,147,821	2,125	43,267	91,724	4,271	964,001	2,358,453
October, 2003	1,319,634	870,006	93	49,335	930,658	2,472,969	612	256,512	631,520	1,793	37,477	89,349	3,820	893,181	2,383,620
November, 2003	1,702,324	935,283	11	55,398	1,146,286	3,032,702	696	297,341	630,213	2,282	51,857	125,275	4,344	1,094,429	2,907,427
December, 2003	2,404,732	1,138,919	46	64,164	1,482,023	3,930,825	1,830	1,015,911	1,458,990	2,613	54,429	127,875	4,938	1,427,594	3,802,951
January, 2004	3,376,162	1,379,800	40	93,324	2,140,576	5,278,081	3,415	2,232,337	4,204,641	4,163	93,272	193,092	7,798	2,047,304	5,084,989
February, 2004	3,698,833	2,047,042	32	203,401	2,620,458	6,234,794	4,733	3,003,320	5,768,931	4,604	105,094	222,854	8,579	2,515,364	6,011,940
March, 2004	3,689,798	2,008,661	24	157,509	2,724,364	6,444,161	5,666	3,648,492	7,111,903	9,307	130,659	293,097	9,324	2,593,705	6,151,064
Grand Total	20,571,709	12,107,584	365	813,785	14,846,823	36,797,714	20,552	12,117,361	23,079,597	31,087	617,648	1,420,473	57,024	14,230,659	35,377,242

Note:

* The After Copalletization data generally tracks the data for Pre-Copalletization sacks. The number of pallets after co-palletization includes both new pallets prepared as a result of copalletization and pre-copalletization pallets that were built upon (comail), but excludes other pre-copalletization pallets.

** Number of titles reported in October, 2003 is not the new title count. It is the starting-over number of titles for the new fiscal year.

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- (b) We do not know the number of co-palletized pieces that were co-palletized prior to the initiation of the discount approved in Docket No. MC2002-3, and cannot determine how much of the volume reported in the reports would have been co-palletized even if the discounts had not been implemented.
- (c) Please refer the following table for the number and average weight of the "new pallets prepared as a result of co-palletization,"

Time Period	New Pallet	
	No.	Avg. Weight
AP 9 - 2003	181	725
AP10 - 2003	191	626
AP 11 - 2003	354	714
AP12 - 2003	288	797
AP13 - 2003	169	845
Transition Period - 2003	639	602
October, 2003	728	502
November, 2003	957	499
December, 2003	1,153	579
January, 2004	1,785	558
February, 2004	1,718	571
March, 2004	1,996	555

- (d) The number of the titles that have terminated participation in the copalletization program is unknown because the participants are not required to report such information.

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ABM/USPS-T1-8. Are there publications with more than 15% advertising content that would benefit more from the proposal here than from the existing co-pallet discount? If your answer is anything but an unqualified "no," please explain why these publications have been excluded.

Response

Yes. Our purpose was not to exclude publications that have advertising content of more than 15 percent, but these publications do have the existing co-palletization discounts available. We are interested in conducting a limited experiment to gauge the impact of the proposed discounts on publications for which the behavior change is most likely (or publications that are least likely to use the current co-palletization discounts). Also, please see my response to TW/USPS-T1-2(b).

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ABM/USPS-T1-13. Please identify the printers/consolidators that were participating in the existing co-palletization program (a) as of the end of FY 2003 and (b) now.

Response

There are five printers/consolidators currently participating in the program.

1. R.R. Donnelley & Sons Company
2. Quebecor World Logistics
3. Quad Graphics
4. IPC Print Services

The first two participants were also participating as of the end of FY 2003. The fifth printer/consolidator has requested that the Postal Service keep its participation anonymous.

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ABM/USPS-T1-14. How many printers/consolidators do you expect will participate in the proposed experiment during its two-year life?

Response

Initially, I expect one printer and one consolidator to participate. Some publications that are eligible may use the consolidators that are already co-palletizing with the current discounts. I cannot forecast the number of printers/consolidators that will participate during the two-year life of the experiment. A key reason to conduct this experiment is to collect the relevant data regarding participation.

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ABM/USPS-T1-15. Are there any printers that are participating in the existing co-palletization experiment that you expect *will not* participate in the proposed experiment? If so, please explain why in your view they will not.

RESPONSE

Printers participating in the existing experiment who also have publications that meet the criteria in the proposed experiment would likely use both sets of discounts. The proposal facilitates their participation by allowing mail receiving either the per-piece or the per-editorial-pound discounts to be prepared on the same pallets.

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ABM/USPS-T1-17. With reference to your testimony at page 5, lies [sic] 8-9, concerning incentives for mailers to prepare their mail in an "efficient fashion," please identify those incentives and, for each, explain how mailers that do not avail themselves of the incentive prepare their mail in an inefficient manner.

RESPONSE

I am sure that the counsel for American Business Media is not accusing me of 8-9 lies on Page 5 of my testimony. Rather he is referring to lines 8-9 on page 5 of my testimony. The incentives for efficient preparation are the two discounts for preparing mail on pallets as well as the various dropship discounts for destination Delivery Unit (DDU), Sectional Center Facility (SCF) and Area Distribution Center. Also for publications with advertising content, *zoned advertising pound rate* provides an incentive for dropshipment. My reference to mail preparation in an "efficient fashion" refers to mail preparation that lowers the costs imposed on the Postal Service, rather than the efficiency of the mailer's operations. Generally, palletization and dropshipment of mail are considered efficient from the Postal Service's perspective because they tend to lower Postal Service costs.

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ABM/USPS-T1-18. Assume that a mailer closes copy on a weekly (and therefor time value) publication late Friday, has it printed on Saturday, and—in order to assure the Monday delivery that readers expect--has it sacked, where possible, in 5-digit sacks and air freights many of the sacks at its own expense to entry points near the readers. Has that mailer prepared its mail in an “inefficient fashion.” Please explain your answer.

RESPONSE

Given the nature of the magazine, this mailer has done its best to enter the mail closer to destination. Sacks are generally more expensive for the Postal Service to handle, not just in transition cross-docking, but also at the destination facility. This mail has an inefficient component to its preparation (from the perspective of costs imposed on the Postal Service), but our proposal does not seek to move this type of mail (time sensitive weekly publications) from sacks onto pallets. The target publications for the proposed discounts are monthly or less frequent publications with substantial editorial content.

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ABM/USPS-T1-20. How many ADCs are there in Southern California?

RESPONSE:

There are nine ADCs in the state of California. Four are arguably in Southern California.

900, 901	ADC LOS ANGELES CA 900
902-908, 910-918	ADC TWIN VALLEY CA 90197
919-921.	ADC SAN DIEGO CA 920
922-928, 930-935	ADC SEQUOIA CA 90198
936-939, 942, 945-948, 950-953, 956-960	[FCM only] ADC SIERRA CA 940
936-939, 945-948, 950, 951.	[PER, STD, and BPM only] ADC OAKLAND CA 945
940, 941, 943, 944, 949, 954, 955.	ADC PENINSULA CA 941
942, 952, 953, 956-960	[PER, STD, and BPM only] ADC SACRAMENTO CA 956
962-966.	AMF SFO APO/FPO CA 962

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ABM/USPS-T1-21. Is there a transfer hub or other facility in Southern California at which the Postal Service could accept dropshipped pallets destined for the Southern California ADCs? If so, please explain why no discounts being offered for periodicals that are being co-palletized and dropshipped to such a transfer hub?

RESPONSE:

Yes. There is a transfer hub in Southern California in Van Nuys, CA. The facility is essentially a truck terminal and cannot accommodate drop shipments (e.g., no interior access and no proper acceptance capabilities).

There are a number of reasons that discounts are not being offered for periodicals that are being co-palletized and transported by the mailer to a transfer hub, including but not limited to:

1. Proposed experiment is an extension of the existing *co-palletization experiment*.
Adding an additional dropship location would hinder in the efforts to combine mail from both experiments on the same pallet.
2. We do not have cost studies to estimate the discount for this level of dropshipping. Current rate schedule does not have 'transfer hub' dropship rate, therefore, we cannot use the cost differential from Docket No. R2001-1 to estimate the discounts.
3. Adding a 'transfer hub' pallet would dilute the savings and discounts in the proposed experiment.
4. Transfer hubs are not currently recognized as a discount level supported in Mail.dat or any standardized documentation prepared by mailers. Therefore, *adding a new destination entry discount for Transfer Hubs would add significantly*

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to the level of complexity in the documentation, verification and acceptance of mailings.

5. Transfer Hubs are not maintained and disseminated on any official USPS list for mailer use, such as the *labeling lists in the DMM*.

And more importantly:

6. Transfer hubs are internal facilities set up only for the transfer of mail. They are not designed or staffed to accept mail from mailers and I do not believe that the Postal Service wants to accept mail at these facilities. These facilities are part of the logistics network to assist Postal Service in getting mail from one part of the country to another.

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ABM/USPS-T1-23. Has the Postal Service been told by publishers, printers or fulfillment houses that the cost and other burdens associated with the documentation requirements in the current or proposed co-palletization experiments prevent participation? If so, please provide the details.

RESPONSE:

See the response to ABM/USPS-T1-22. The “before” presort documentation is needed to identify whether pieces would be eligible to receive the current and proposed discounts (i.e., if presorted separately, there would not be enough pieces to meet the minimum pallet weight). A borderline case may be affected by the documentation costs. One mailer has indicated to us that the cost associated with running the “before” presort documentation would likely preclude its participation in the experiment, but I do not believe that this mailer’s concerns are typical.

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ABM/USPS-T1-25. (a) Would participation be greater at a 50% passthrough? (b) What, if anything, would be the downside of a 50% passthrough?

RESPONSE:

(a) Probably. However, increasing participation was not our only goal. For the discussion of our interest in keeping the proposed experiment small, please see my response to interrogatory TW/USPS-T1-2(a & c).

(b) For the discussion of why we chose the conservative 30 percent passthrough, please see my testimony, USPS-T-1 at 16. An additional pricing constraint was to avoid rate anomalies. Thus, the discounts could not be larger than the current nonadvertising pound rate of \$0.193. Please refer to the following table for hypothetical discounts at various passthroughs.

At a 50% passthrough, the effective editorial pound rate for editorial matter would be negative if dropshipment to the DADC or DSCF is based on skipping 8 zones. As the passthrough gets bigger, this problem gets worse.

Discounts applicable to editorial pounds @ various hypothetical pass-through

Pass-through	30%		50%		80%		90%	
	DADC	DSCF	DADC	DSCF	DADC	DSCF	DADC	DSCF
Zones 1 & 2	\$ 0.008	\$ 0.014	\$ 0.013	\$ 0.023	\$ 0.020	\$ 0.036	\$ 0.023	\$ 0.041
Zone 3	\$ 0.013	\$ 0.019	\$ 0.022	\$ 0.032	\$ 0.035	\$ 0.051	\$ 0.040	\$ 0.058
Zone 4	\$ 0.028	\$ 0.034	\$ 0.046	\$ 0.056	\$ 0.074	\$ 0.090	\$ 0.083	\$ 0.101
Zone 5	\$ 0.050	\$ 0.056	\$ 0.083	\$ 0.093	\$ 0.133	\$ 0.149	\$ 0.149	\$ 0.167
Zone 6	\$ 0.073	\$ 0.079	\$ 0.122	\$ 0.132	\$ 0.194	\$ 0.210	\$ 0.219	\$ 0.237
Zone 7	\$ 0.101	\$ 0.107	\$ 0.168	\$ 0.178	\$ 0.269	\$ 0.285	\$ 0.302	\$ 0.320
Zone 8	\$ 0.125	\$ 0.131	\$ 0.208	\$ 0.218	\$ 0.332	\$ 0.348	\$ 0.374	\$ 0.392

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ABM/USPS-T1-29. Please confirm that, if the passthrough were 90%, and assuming the mailing characteristics of the 100% editorial publication described at page 4, the effective *total* rate for pieces shipped from zones 7 and 8 would be negative. If you cannot confirm, please explain why.

RESPONSE:

It is confirmed that, with a 90% passthrough, assuming the mail piece weighs 9 ounces and has 100% editorial content, the effective total rate for such a piece shipped from zone 8 will be negative.

The effective rate for such a piece shipped from zone 7 will also be negative if such piece is nonprofit or classroom mail and drop-shipped at a DSCF (please see the following table).

Calculation of Total Postage @ 90% Passthrough - Zone 7

Editorial Content	100%		
Piece Weight	9 oz		
Pound Rate	$\$0.193 \times 0.5625 =$	\$ 0.109	\$ 0.109
Piece Rate	Basic Automation	\$ 0.325	\$ 0.325
Total Rate before Discounts		\$ 0.434	\$ 0.434
Applicable Discounts		DADC	DSCF
	Nonprofit / Classroom 5% Discount	\$ (0.022)	\$ (0.022)
	Nonadvertising Content	\$ (0.074)	\$ (0.074)
	Destination Entry Discount	\$ (0.002)	(0.008)
	Destination Entry Pallet	\$ (0.015)	(0.015)
	Proposed Copal Disc @ 90% Passthrough - Zone 7	\$ (0.302)	(0.320)
Total Rate After Discounts		\$ 0.019	\$ (0.005)

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ABM/USPS-T1-31. If your forecast of 20,000,000 participating pieces is accurate, please provide your best estimate of the per piece saving that would be experienced by all non-participating pieces.

RESPONSE:

The combined (DADC = \$1.7 million and DSCF= \$0.2 million) estimated transportation and non-transportation savings is \$1.9 million (Exhibit USPS-1A). Additional savings due to palletization (0.5 cents per-piece; see USPS-T-1 at 18) increase this estimate to slightly over \$2 million. On a per-piece basis this amounts to over 9.5 cents for each piece that is expected to participate in the experiment. After subtracting out the estimated passthrough to the participants, net savings for each participating piece is over 7 cents or \$1.4 million. These savings are substantial when calculated on the basis of participating pieces.

Any small experiment will not have a big impact on the many non-participating pieces. When these savings are distributed over the other 8.5 billion Outside County pieces the impact is in the range of 2/100th of a cent per piece.

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ABM/USPS-T1-33. Please refer to the table provided in response to ABM/USPS-T1-3 and to that response. (a) Please confirm that the 54 million copies referred to in the response and appearing on fifth row from the bottom of that table included publications issued more frequently than monthly. (b) Please confirm that if the condition "published monthly or less frequently" were added to the final sentence of that response, the "54 million copies" referred to in that sentence would be changed to "37 million pieces." If you cannot confirm either statement, please explain.

RESPONSE:

(a) Confirmed.

(b) Confirmed. Interrogatory ABM/USPS-T1-3 asked about the pieces that would be eligible for the experiment. Frequency of publication is not one of the eligibility requirements. Based on the eligibility requirements alone there are 54 million pieces in the relevant population. Co-palletization of higher frequency publications can be difficult, as I stated in my response to interrogatory OCA/USPS-T1-2. But, I also noted in that response that some weekly publications do co-palletize. Moreover, as co-palletization volume increases, and the number of providers of this type of consolidation also increase, then the ability to co-palletize weekly publications (especially those that are not very time-sensitive) will increase. Also, some biweekly publications may not be time-sensitive and could start to co-palletize sooner.

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ABM/USPS-T1-37. Please provide your understanding of the ability of publications issued daily (including those issued 5, 6 or 7 days per week) to participate in a co-palletization program.

RESPONSE:

My understanding is that it would be difficult for daily publications to co-palletize. But I would also be very surprised if there are many daily publications that weigh 9 ounces and have 15 percent or less advertising.

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ABM/USPS-T1-40. Please refer to the spreadsheet provided in response to ABM/USPS-T1-4. (a) Please confirm that, looking at the 345 publications weighing 8 ounces or more, the 26 publications with mailed circulation in excess of 10,000 account for 403,766 of the 1,177,924 pieces. (b) Please confirm that the average mailed circulation for the remaining 319 publications is 1265. (c) Please explain whether your 20 million piece estimate includes publications with circulation of around 1265 copies and state whether you believe that a publisher would include a publication of this size in a copalletization program if the postage savings, before considering any increased costs, were around \$63. If you cannot confirm parts (a) or (b), please provide your calculation of the average circulation if the largest 26 publications on the chart are excluded.

RESPONSE:

(a) Based on the summary sheet provided, it is confirmed that, for the 345 publications weighing 8 ounces or more, the 26 publications with mailed circulation in excess of 10,000 account for 403,766 of the 1,177,924 pieces. However, I have discovered that the summary sheet does not reflect the actual data set completely. Based on the actual data provided in response to ABM/USPS-T1-4, there are 347 publications weighing 8 ounces or more, and 28 publications with mailed circulation in excess of 10,000, accounting for 454,388 of the 1,182,007 pieces.

(b) Not confirmed. I calculate based on the summary sheet that the mailed circulation for the remaining 319 publications is 2427 $((1177924 - 403766) / 319)$. Based on the actual data, the average mailed circulation for the remaining 319 publications is 2281 $((1182007 - 454388) / (347 - 28))$.

(c) My estimate includes small publications like these, whether printed by Cadmus or other printers. Given an average circulation of 2281, a 5 cent discount per piece

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(see my testimony at page 4) would amount to about \$114 per mailing, which I believe could be an adequate incentive. Please see my response to TW/USPS-T1-2 for the discussion of how a low passthrough leads to postage discounts that we think are just enough (and no more) to bring about the intended outcome. Even if this experiment is able to shift only Cadmus' eligible pieces from sacks onto dropshipped pallets, this example could bring about a change in the industry. I was aware that we could be challenged about the restrictive nature of our proposal in this docket, such as your assertion in the question about small postage savings. Given the anemic cost coverage of the Periodicals subclass we knew that the *proposed discounts had to be conservative, yet sufficient to bring about the desired change*. We believe that these discounts meet these conditions. See my response to interrogatory TW/USPS-T1-2(e). The letter from Cadmus Communications to Commissioner Covington (PRC-LR-PO-1) shows that publishers' participation does not depend only on the extent of postage savings. (See my response TW/USPS-T1-4.)

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ABM/USPS-T1-41. Question ABM/USPS-T1-4 asked for all documents related to your estimate of 20,000,000 participating copies, yet you have provided only a spreadsheet from Cadmus that appears to show something in the neighborhood of 1,000,000 qualifying pieces per month (without considering any pieces that might be ineligible based upon a present ability to palletize). (a) Is it your statement that, except for this spreadsheet, there are no documents, as broadly defined in the instructions, that show how you moved from the Cadmus spreadsheet (if in fact you had it when you prepared the estimate) to 20,000,000 pieces per year? Please note in formulating your response that destroyed documents were to have been identified. (b) If there are additional responsive documents, please provide them. (c) If there are no additional responsive documents, please provide a detailed narrative explanation of how you arrived at the 20 million copy estimate.

RESPONSE:

(a) I would first like to address the thought expressed within parentheses, i.e. "if in fact you had it when you prepared the estimate," referring to the spreadsheet from Cadmus. The Postal Service would not have proceeded with this proposal if we were not confident about the substantial volume that Cadmus can provide. Moreover, the Postal Service likely would have proceeded with this proposal even if only Cadmus were to participate. In fact, we considered preparing this filing as a Negotiated Service Agreement with Cadmus. But we decided on a niche classification experiment when we became aware of non-Cadmus volume that might use these discounts under the same terms as Cadmus. Thus, it appeared to be appropriate to file a niche classification which Cadmus and others might use.

From my perspective the spreadsheet I provided shows enough volume to justify an experiment of this nature. Please see my response to ABM/USPS-T1-40(c). There are no other documents that allowed me to quantitatively derive the estimate of 20 million pieces. Between 12 and 13 million of the 20 million pieces estimate is from the

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Cadmus spreadsheet. My estimate of the remaining pieces is based on numerous visits to various printing plants and consolidation centers, and several telephone calls.

We were keenly aware of the challenges of gaining enough participation given the restrictive eligibility requirements for weight minimum and advertising content. We believe that Cadmus provides the initial bulk for co-palletization with others to follow shortly. The additional 7.5 to 8 million or so pieces in my 20 million estimate is an educated guess based on a variety of discussions I had with industry representatives. Conservatively, the 7-8 million additional pieces that would come from outside Cadmus are approximately 30 percent of the 25 million (37 million minus 12 million) pieces that meet the weight, advertising content, and circulation criteria, and are no more frequent than monthly. A slightly more liberal assumption of 54 million (the actual eligible population) would mean this estimate represents less than 20 percent (8 million divided by 42 million) participation from the eligible pieces outside Cadmus. See my response to TW/USPS-T1-4.

(b) There are and were no other documents related to my estimate of the 20,000,000 pieces.

(c) I personally visited six different printing sites and two consolidation sites and had many telephone calls during the course of developing this proposal. My estimate of an additional 7 to 8 million pieces participating in this experiment beyond the 12-13 million that were printed by Cadmus was an educated guess based on my observations and discussion with the industry.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-42. Please confirm that a mailer's willingness to participate in an experimental rate program will depend not only upon the expected postage cost savings but also on the expected increases in other costs, such as shipping, printer charges, paperwork, list maintenance etc.?

RESPONSE:

The mailers' willingness to respond to this and other experiments depend on a variety of factors including postage discounts, possible improvements in service, diminished risk of damage, and a variety of costs and cost savings in their own internal operations. My understanding is that worksharing discounts typically affect mailers' internal operating costs. I have no reason to suspect that participants in the proposed experiment are any different in this regard. Presumably each mailer weighs all of these factors and makes the appropriate decision that best suits its own needs.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-43. In studying the desirability of contemplated worksharing discounts, has the Postal service [sic] ever made an attempt to learn the costs to the mailer of participating? If your answer is in the affirmative, please provide examples.

RESPONSE:

Postage discounts are typically based on costs that the Postal Service avoids on account of additional steps taken by mailers. As such, there is no specific need for the Postal Service to study mailers' costs. Yet the Postal Service is certainly aware that mailer decisions regarding worksharing are not made in isolation from the costs of performing those additional steps. The Postal Service's focus is not upon mailer costs in and of themselves; rather, the focus is upon whether pertinent mailers will or will not choose to engage in worksharing, and thereby assist the Postal Service in avoiding costs. Those mailer decisions are typically based upon a host of factors that include economics, practicality and impact upon service quality. Hence, the Postal Service often analyzes qualitatively and quantitatively – as it has in this instance – whether mailers are interested in pursuing specific worksharing opportunities, and allows the mailers themselves to calculate their costs of participation and determine if the incentive is sufficient to encourage their participation. Also, please see my response to interrogatory ABM/USPS-T1-5.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-44. In response to ABM/USPS-T1-5, you state that Cadmus "led us to believe that their costs of co-palletizing and dropshipping would be offset by the proposed discounts. . ." and the existing discounts. (a) Please provide any documents prepared by the Postal Service or provided to the Postal Service that relate to this statement. (b) Were you led to believe that the costs would be less than the discounts, so that the mailer would see a net reduction, or only that there would be an offset?

RESPONSE:

- (a) Cadmus provided the sacked mail portion of their mailing statement data for some publications. I calculated the postage savings for these publications using the proposed discounts. When we discussed these numbers with Cadmus, their response was that they could work with these numbers. We were also given the impression that the proposed discounts would be just enough to move their mail to co-palletization and dropshipment. Attached is my analysis of the mailing statement data, in the form of a spreadsheet, along with the cover email message that I sent to a representative of Cadmus in August, 2003. The publication identifiers were removed from the attached spreadsheet.
- (b) My recollection is that we were not led to believe either one of the options provided in your question. We were led to believe that this level and structure of discounts is expected to have an impact on 12 to 13 million pieces.

From: Taufique, Altaf - Rosslyn, VA [mailto:altaf.taufique@usps.gov]
Sent: Wednesday, August 27, 2003 12:33 PM
To: Jim Reifenberg
Cc: Rubin, David H - Washington, DC; Reimer, Brian M - Washington, DC; Lyons, Ashley W - Rosslyn, VA
Subject: 3541s Analyzed

Jim: Here is the analysis of the data that you provided.

The data that you provided was for publications that were 10 ounces or more and the advertising content was less than 15 percent.

For each title first we replicated the calculations on the postage statements. Second step was to calculate the savings assuming that the complete mailing was palletized and dropshipped to destination ADCs. These savings utilized only the discounts available in the current rate chart not including the per-piece co-palletization discounts. Third step was to apply a discount for editorial pounds based on the zones skipped to be entered at the destination ADC.

The average savings for all the titles is \$5.82 per 100 pounds or cwt.

Some caveats:

1. As we discussed we included Zone 8 pounds in the shift to ADC. To the extent that this is overseas (Alaska, Hawaii, Puerto Rico) mail, the results could change.
2. To the extent possible we used sacked mail only 3541s for our analysis. In those cases where palletized mail was included in 3541s, the savings were adjusted downward but pounds remained in the denominator to calculate the saving per pound.

The per-editorial pound discount is our proposal to Cadmus. A niche classification or an NSA type case would have to be filed with the PRC to get these discounts on the book.

If you have any questions regardin this, please feel free to call me.

Altaf Taufique
Economist, Pricing
U.S. Postal Service
703-292-3717

From: Jim Reifenberg [mailto:jreif@fairrington.com]
 Sent: Thursday, April 22, 2004 11:27 AM
 To: 'altaf.taufique@usps.gov'
 Subject: FW: 3541s Analyzed

Even blind pigs eventually find acorns.

-----Original Message-----

From: Taufique, Altaf - Rosslyn, VA [mailto:altaf.taufique@usps.gov]
 Sent: Wednesday, August 27, 2003 12:33 PM
 To: Jim Reifenberg
 Cc: Rubin, David H - Washington, DC; Reimer, Brian M - Washington, DC; Lyons, Ashley W - Rosslyn, VA
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If you have any questions regardin this, please feel free to call me.

Altaf Taufique
 Economist, Pricing
 U.S. Postal Service
 703-292-3717

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	1151		1151	1472	206	1266	0.248	51.088
3	2044		2044	2614	366	2248	0.267	97.722
4	1712		1712	2190	307	1883	0.315	96.705
5	1972		1972	2522	353	2169	0.389	137.317
6	703		703	899	126	773	0.466	58.716
7	303		303	388	54	334	0.559	30.186
8	1310		1310	1675	234	1441	0.638	149.292
Subtotal			9195	11760	1646	10114		621.026
Nonadvertising Pounds							0.193	1952.002
Total Pound Rate Postage								2573.028

Presort Discount		Copies	Addressed Pcs.	Rate	Postage
Basic					
	Nonautomation	192	179	0.373	66.767
	Auto Letters	0	0	0.281	0
	Auto Flats	952	952	0.325	309.4
3-Digit					
	Nonautomation	285	266	0.324	86.184
	Auto Letters	0	0	0.249	0
	Auto Flats	4626	4626	0.283	1309.158
5-Digit					
	Nonautomation	91	50	0.256	12.8
	Auto Letters	0	0	0.195	0
	Auto Flats	2489	2489	0.226	562.514
Carrier Route					
	Basic	560	309	0.163	50.367
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		9195	8871		2397.19
Nonadv. %		762936.2		0.00074	564.5728
DDU Rate		0		0.018	0
DSCF Rate		0		0.008	0
DADC rate		0		0.002	0
Destination Entry		0		0.015	0
All Other Pallets		1354		0.005	6.77
Total Piece Rate Discount					571.3428
Total Piece Rate Postage					1825.847
Subtotal					4398.875
Nonprofit/Classroom		3777.849		0.05	188.8925
Subtotal					4209.983
Ride-Along		0		0.124	0
Total Outside-County Postage					4209.983

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	0		9195	11760	1646	10114	0.223	367.058
1&2	1151		0	0	0	0	0.248	0
3	2044		0	0	0	0	0.267	0
4	1712		0	0	0	0	0.315	0
5	1972		0	0	0	0	0.389	0
6	703		0	0	0	0	0.466	0
7	303		0	0	0	0	0.559	0
8	1310		0	0	0	0	0.638	0
Subtotal			9195	11760	1646	10114		367.058
Nonadvertising Pounds							0.193	1952.002
Total Pound Rate Postage								2319.06

1.036524

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	192	179	0.373	66.767
Auto Letters	0	0	0.281	0
Auto Flats	952	952	0.325	309.4
3-Digit				
Nonautomation	285	266	0.324	86.184
Auto Letters	0	0	0.249	0
Auto Flats	4626	4626	0.283	1309.158
5-Digit				
Nonautomation	91	50	0.256	12.8
Auto Letters	0	0	0.195	0
Auto Flats	2489	2489	0.226	562.514
Carrier Route				
Basic	560	309	0.163	50.367
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	9195	8871		2397.19
Nonadv. %	762936.2		0.00074	564.5728
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	8871		0.002	17.742
Destination Entry	8871		0.015	133.065
All Other Pallets	1354		0.005	6.77
Total Piece Rate Discount				722.1498
Total Piece Rate Postage				1675.04
Subtotal				3994.1
Nonprofit/Classroom	3627.042		0.05	181.3521
Subtotal				3812.748
Ride-Along	0		0.124	0
Total Outside-County Postage				3812.748
Additional Discount				
Zone 1 & 2	1266		0.009	11.394
3	2248		0.013	29.224
4	1883		0.028	52.724
5	2169		0.05	108.45
6	773		0.073	56.429
7	334		0.101	33.734
8	1441		0.125	180.125
				472.08

397.2347

3.377846 4.014286

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	0		0	0	0	0	0.223	0
	272		272	239	2	237	0.248	0.496
3	260		260	229	2	227	0.267	0.534
4	230		230	202	2	200	0.315	0.63
5	321		321	282	3	279	0.389	1.167
6	99		99	87	1	86	0.466	0.466
7	20		20	18	1	17	0.559	0.559
8	214		214	188	2	186	0.638	1.276
Subtotal			1416	1245	13	1232		5.128
Nonadvertising Pounds							0.193	237.776
Total Pound Rate Postage								242.904

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	156	59	0.373	22.007
Auto Letters	0	0	0.281	0
Auto Flats	437	437	0.325	142.025
3-Digit				
Nonautomation	27	18	0.324	5.832
Auto Letters	0	0	0.249	0
Auto Flats	474	474	0.283	134.142
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	243	243	0.226	54.918
Carrier Route				
Basic	79	28	0.163	4.564
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1416	1259		363.488
Nonadv. %	124585.4		0.00074	92.19318
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				92.19318
Total Piece Rate Postage				271.2948
Subtotal				514.1988
Nonprofit/Classroom	0		0.05	0
Subtotal				514.1988
Ride-Along	0		0.124	0
Total Outside-County Postage				514.1988

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1416		1416	1245	13	1232	0.223	2.899
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			1416	1245	13	1232		2.899
Nonadvertising Pounds							0.193	237.776
Total Pound Rate Postage								240.675

1.124702

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	156	59	0.373	22.007
Auto Letters	0	0	0.281	0
Auto Flats	437	437	0.325	142.025
3-Digit				
Nonautomation	27	18	0.324	5.832
Auto Letters	0	0	0.249	0
Auto Flats	474	474	0.283	134.142
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	243	243	0.226	54.918
Carrier Route				
Basic	79	28	0.163	4.564
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1416	1259		363.488
Nonadv. %	124585.4		0.00074	92.19318
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	1259		0.002	2.518
Destination Entry	1259		0.015	18.885
All Other Pallets			0.005	0
Total Piece Rate Discount				113.5962
Total Piece Rate Postage				249.8918
Subtotal				490.5668
Nonprofit/Classroom			0.05	0
Subtotal				490.5668
Ride-Along		0	0.124	0
Total Outside-County Postage				490.5668
Additional Discount				
Zone 1 & 2		237	0.009	2.133
3		227	0.013	2.951
4		200	0.028	5.6
5		279	0.05	13.95
6		86	0.073	6.278
7		17	0.101	1.717
8		186	0.125	23.25
				55.879

0 4.488273

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	410		410	413	17	396	0.248	4.216
3	245		245	247	10	237	0.267	2.67
4	438		438	442	18	424	0.315	5.67
5	252		252	254	10	244	0.389	3.89
6	101		101	102	4	98	0.466	1.864
7	37		37	37	1	36	0.559	0.559
8	292		292	294	12	282	0.638	7.656
Subtotal			1775	1789	72	1717		26.525
Nonadvertising Pounds							0.193	331.381
Total Pound Rate Postage								357.906

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	1415	1318	0.373	491.614
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit		0		
Nonautomation	360	324	0.324	104.976
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1775	1642		596.59
Nonadv. %	157591.6		0.00074	116.6178
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				116.6178
Total Piece Rate Postage				479.9722
Subtotal				837.8782
Nonprofit/Classroom		0	0.05	0
Subtotal				837.8782
Ride-Along		0	0.124	0
Total Outside-County Postage				837.8782

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1775		1775	1789	72	1717	0.223	16.056
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			1775	1789	72	1717		16.056
Nonadvertising Pounds							0.193	331.381
Total Pound Rate Postage								347.437

1.080999

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	1415	1318	0.373	491.614
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit		0		
Nonautomation	360	324	0.324	104.976
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1775	1642		596.59
Nonadv. %	157591.6		0.00074	116.6178
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	1642		0.002	3.284
Destination Entry	1642		0.015	24.63
All Other Pallets			0.005	0
Total Piece Rate Discount				144.5318
Total Piece Rate Postage				452.0582
Subtotal				799.4952
Nonprofit/Classroom			0.05	0
Subtotal				799.4952
Ride-Along		0	0.124	0
Total Outside-County Postage				799.4952
Additional Discount				
Zone 1 & 2		396	0.009	3.564
3		237	0.013	3.081
4		424	0.028	11.872
5		244	0.05	12.2
6		98	0.073	7.154
7		36	0.101	3.636
8		282	0.125	35.25
				76.757

0 4.290497

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	662		662	1351	148	1203	0.248	36.704
3	689		689	1406	154	1252	0.267	41.118
4	665		665	1357	148	1209	0.315	46.62
5	1133		1133	2312	253	2059	0.389	98.417
6	787		787	1606	176	1430	0.466	82.016
7	331		331	676	74	602	0.559	41.366
8	557		557	1137	124	1013	0.638	79.112
Subtotal			4824	9845	1077	8768		425.353
Nonadvertising Pounds							0.193	1692.224
Total Pound Rate Postage								2117.577

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	2515	2446	0.373	912.358
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	1453	1374	0.324	445.176
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	34	34	0.256	8.704
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	822	670	0.163	109.21
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	4824	4524		1475.448
Nonadv. %	402909.4		0.00074	298.153
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	0		0.005	0
Total Piece Rate Discount				298.153
Total Piece Rate Postage				1177.295
Subtotal				3294.872
Nonprofit/Classroom	2869.519		0.05	143.476
Subtotal				3151.396
Ride-Along	0		0.124	0
Total Outside-County Postage				3151.396

2869.519
143.476

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1775		4824	9845	1077	8768	0.223	240.171
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			4824	9845	1077	8768		240.171
Nonadvertising Pounds							0.193	1692.224
Total Pound Rate Postage								1932.395

1.066313

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	2515	2446	0.373	912.358
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit		0		
Nonautomation	1453	1374	0.324	445.176
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	34	34	0.256	8.704
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	822	670	0.163	109.21
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	4824	4524		1475.448
Nonadv. %	402909.4		0.00074	298.153
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	4524		0.002	9.048
Destination Entry	4524		0.015	67.86
All Other Pallets			0.005	0
Total Piece Rate Discount				375.061
Total Piece Rate Postage				1100.387
Subtotal				3032.782
Nonprofit/Classroom	2792.611		0.05	139.6306
Subtotal				2893.151
Ride-Along	0		0.124	0
Total Outside-County Postage				2893.151
Additional Discount				
Zone 1 & 2	1203		0.009	10.827
3	1252		0.013	16.276
4	1209		0.028	33.852
5	2059		0.05	102.95
6	1430		0.073	104.39
7	602		0.101	60.802
8	1013		0.125	126.625
				455.722

0 4.628969

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	3527		3527	5319	0	5319	0.248	0
3	1939		1939	2924	0	2924	0.267	0
4	3181		3181	4797	0	4797	0.315	0
5	4765		4765	7186	0	7186	0.389	0
6	2059		2059	3105	0	3105	0.466	0
7	874		874	1318	0	1318	0.559	0
8	3274		3274	4937	0	4937	0.638	0
Subtotal			19619	29586	0	29586		0
Nonadvertising Pounds							0.193	5710.098
Total Pound Rate Postage								5710.098

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	230	149	0.373	55.577
Auto Letters	0	0	0.281	0
Auto Flats	908	908	0.325	295.1
3-Digit		0		
Nonautomation	495	312	0.324	101.088
Auto Letters	0	0	0.249	0
Auto Flats	7170	7170	0.283	2029.11
5-Digit				
Nonautomation	1078	269	0.256	68.864
Auto Letters	0	0	0.195	0
Auto Flats	8625	8625	0.226	1949.25
Carrier Route				
Basic	1113	779	0.163	126.977
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	19619	18212		4625.966
Nonadv. %	1821200		0.00074	1347.688
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	13736		0.005	68.68
Total Piece Rate Discount				1416.368
Total Piece Rate Postage				3209.598
Subtotal				8919.696
Nonprofit/Classroom	8919.696		0.05	445.9848
Subtotal				8473.711
Ride-Along	0		0.124	0
Total Outside-County Postage				8473.711

8919.696
445.9848

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1775		19619	29586	0	29586	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			19619	29586	0	29586		0
Nonadvertising Pounds							0.193	5710.098
Total Pound Rate Postage								5710.098

1.077257

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	230	149	0.373	55.577
Auto Letters	0	0	0.281	0
Auto Flats	908	908	0.325	295.1
3-Digit		0		
Nonautomation	495	312	0.324	101.088
Auto Letters	0	0	0.249	0
Auto Flats	7170	7170	0.283	2029.11
5-Digit				
Nonautomation	1078	269	0.256	68.864
Auto Letters	0	0	0.195	0
Auto Flats	8625	8625	0.226	1949.25
Carrier Route				
Basic	1113	779	0.163	126.977
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	19619	18212		4625.966
Nonadv. %		1821200	0.00074	1347.688
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		18212	0.002	36.424
Destination Entry		18212	0.015	273.18
All Other Pallets			0.005	0
Total Piece Rate Discount				1657.292
Total Piece Rate Postage				2968.674
Subtotal				8678.772
Nonprofit/Classroom		8678.772	0.05	433.9386
Subtotal				8244.833
Ride-Along		0	0.124	0
Total Outside-County Postage				8244.833
Additional Discount				
Zone 1 & 2		5319	0.009	47.871
3		2924	0.013	38.012
4		4797	0.028	134.316
5		7186	0.05	359.3
6		3105	0.073	226.665
7		1318	0.101	133.118
8		4937	0.125	617.125
				1556.407
			0	5.26062

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	590		590	377	57	320	0.248	14.136
3	535		535	342	51	291	0.267	13.617
4	1142		1142	729	109	620	0.315	34.335
5	938		938	599	90	509	0.389	35.01
6	625		625	399	60	339	0.466	27.96
7	368		368	235	35	200	0.559	19.565
8	1059		1059	676	101	575	0.638	64.438
Subtotal			5257	3357	503	2854		209.061
Nonadvertising Pounds							0.193	550.822
Total Pound Rate Postage								759.883

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	114	114	0.373	42.522
Auto Letters	0	0	0.281	0
Auto Flats	1061	1061	0.325	344.825
3-Digit		0		
Nonautomation	84	43	0.324	13.932
Auto Letters	0	0	0.249	0
Auto Flats	3191	3191	0.283	903.053
5-Digit				
Nonautomation	37	2	0.256	0.512
Auto Letters	0	0	0.195	0
Auto Flats	770	770	0.226	174.02
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5257	5181		1478.864
Nonadv. %	440469.9		0.00074	325.9477
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	0		0.005	0
Total Piece Rate Discount				325.9477
Total Piece Rate Postage				1152.916
Subtotal				1912.799
Nonprofit/Classroom		0	0.05	0
Subtotal				1912.799
Ride-Along		0	0.124	0
Total Outside-County Postage				1912.799

1703.738
85.18691

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		1775	5257	3357	503	2854	0.223	112.169
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			5257	3357	503	2854		112.169
Nonadvertising Pounds							0.193	550.822
Total Pound Rate Postage								662.991

1.014669

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	114	114	0.373	42.522
Auto Letters	0	0	0.281	0
Auto Flats	1061	1061	0.325	344.825
3-Digit				
Nonautomation	84	43	0.324	13.932
Auto Letters	0	0	0.249	0
Auto Flats	3191	3191	0.283	903.053
5-Digit				
Nonautomation	37	2	0.256	0.512
Auto Letters	0	0	0.195	0
Auto Flats	770	770	0.226	174.02
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5257	5181		1478.864
Nonadv. %	440469.9		0.00074	325.9477
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	5181		0.002	10.362
Destination Entry	5181		0.015	77.715
All Other Pallets			0.005	0
Total Piece Rate Discount				414.0247
Total Piece Rate Postage				1064.839
Subtotal				1727.83
Nonprofit/Classroom		0	0.05	0
Subtotal				1727.83
Ride-Along		0	0.124	0
Total Outside-County Postage				1727.83
Additional Discount				
Zone 1 & 2		320	0.009	2.88
3		291	0.013	3.783
4		620	0.028	17.36
5		509	0.05	25.45
6		339	0.073	24.747
7		200	0.101	20.2
8		575	0.125	71.875
				166.295

0 4.953679

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	6593		6593	4474	620	3854	0.248	153.76
	3	3640	3640	2470	342	2128	0.267	91.314
	4	2871	2871	1948	270	1678	0.315	85.05
	5	4404	4404	2989	414	2575	0.389	161.046
	6	1510	1510	1025	142	883	0.466	66.172
	7	896	896	608	84	524	0.559	46.956
	8	4592	4592	3116	432	2684	0.638	275.616
Subtotal			24506	16630	2304	14326		879.914
Nonadvertising Pounds							0.193	2764.918
Total Pound Rate Postage								3644.832

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	611	454	0.373	169.342
Auto Letters	0	0	0.281	0
Auto Flats	793	793	0.325	257.725
3-Digit				
Nonautomation	1109	680	0.324	220.32
Auto Letters	0	0	0.249	0
Auto Flats	8774	8774	0.283	2483.042
5-Digit				
Nonautomation	862	476	0.256	121.856
Auto Letters	0	0	0.195	0
Auto Flats	9180	9180	0.226	2074.68
Carrier Route				
Basic	3177	2600	0.163	423.8
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	24506	22957		5750.765
Nonadv. %	1977643		0.00074	1463.456
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	9200		0.005	46
Total Piece Rate Discount				1509.456
Total Piece Rate Postage				4241.309
Subtotal				7886.141
Nonprofit/Classroom	0		0.05	0
Subtotal				7886.141
Ride-Along	0		0.124	0
Total Outside-County Postage				7886.141

7006.227
350.3114

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1775		24506	16630	2304	14326	0.223	513.792
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			24506	16630	2304	14326		513.792
Nonadvertising Pounds							0.193	2764.918
Total Pound Rate Postage								3278.71

1.067474

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	611	454	0.373	169.342
Auto Letters	0	0	0.281	0
Auto Flats	793	793	0.325	257.725
3-Digit		0		
Nonautomation	1109	680	0.324	220.32
Auto Letters	0	0	0.249	0
Auto Flats	8774	8774	0.283	2483.042
5-Digit				
Nonautomation	862	476	0.256	121.856
Auto Letters	0	0	0.195	0
Auto Flats	9180	9180	0.226	2074.68
Carrier Route				
Basic	3177	2600	0.163	423.8
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	24506	22957		5750.765
Nonadv. %		1977643	0.00074	1463.456
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		22957	0.002	45.914
Destination Entry		22957	0.015	344.355
All Other Pallets			0.005	0
Total Piece Rate Discount				1853.725
Total Piece Rate Postage				3897.04
Subtotal				7175.75
Nonprofit/Classroom		0	0.05	0
Subtotal				7175.75
Ride-Along		0	0.124	0
Total Outside-County Postage				7175.75
Additional Discount				
Zone 1 & 2		3854	0.009	34.686
3		2128	0.013	27.664
4		1678	0.028	46.984
5		2575	0.05	128.75
6		883	0.073	64.459
7		524	0.101	52.924
8		2684	0.125	335.5
				690.967

0 4.154943

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	3	476	476	401	0	401	0.248	0
	4	462	462	390	0	390	0.267	0
	5	295	295	249	0	249	0.315	0
	6	447	447	377	0	377	0.389	0
	7	170	170	143	0	143	0.466	0
	8	195	195	164	0	164	0.559	0
	8	703	703	593	0	593	0.638	0
Subtotal			2748	2317	0	2317		0
Nonadvertising Pounds							0.193	447.181
Total Pound Rate Postage								447.181

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	186	110	0.373	41.03
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit		0		
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1520	1520	0.283	430.16
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	404	404	0.226	91.304
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2748	2672		769.816
Nonadv. %	267200		0.00074	197.728
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	0		0.005	0
Total Piece Rate Discount				197.728
Total Piece Rate Postage				572.088
Subtotal				1019.269
Nonprofit/Classroom	1019.269		0.05	50.96345
Subtotal				968.3056
Ride-Along	0		0.124	0
Total Outside-County Postage				968.3056

1019.269
50.96345

5.344
40.08
45.424

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1775		2748	2317	0	2317	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2748	2317	0	2317		0
Nonadvertising Pounds							0.193	447.181
Total Pound Rate Postage								447.181

1.028443

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	186	110	0.373	41.03
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit		0		
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1520	1520	0.283	430.16
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	404	404	0.226	91.304
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2748	2672		769.816
Nonadv. %		267200	0.00074	197.728
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2672	0.002	5.344
Destination Entry		2672	0.015	40.08
All Other Pallets			0.005	0
Total Piece Rate Discount				243.152
Total Piece Rate Postage				526.664
Subtotal				973.845
Nonprofit/Classroom		973.845	0.05	48.69225
Subtotal				925.1528
Ride-Along		0	0.124	0
Total Outside-County Postage				925.1528
Additional Discount				
Zone 1 & 2		401	0.009	3.609
3		390	0.013	5.07
4		249	0.028	6.972
5		377	0.05	18.85
6		143	0.073	10.439
7		164	0.101	16.564
8		593	0.125	74.125
				135.629

0 5.853647

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	0		0	0	0	0	0.223	0
	476		476	356	0	356	0.248	0
3	462		462	346	0	346	0.267	0
4	295		295	221	0	221	0.315	0
5	447		447	334	0	334	0.389	0
6	170		170	127	0	127	0.466	0
7	195		195	146	0	146	0.559	0
8	703		703	526	0	526	0.638	0
Subtotal			2748	2056	0	2056		0
Nonadvertising Pounds							0.193	396.808
Total Pound Rate Postage								396.808

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	186	109	0.373	40.657
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit		0		
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1520	1520	0.283	430.16
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	404	404	0.226	91.304
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2748	2671		769.443
Nonadv. %		267100	0.00074	197.654
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets		0	0.005	0
Total Piece Rate Discount				197.654
Total Piece Rate Postage				571.789
Subtotal				968.597
Nonprofit/Classroom		968.597	0.05	48.42985
Subtotal				920.1672
Ride-Along		0	0.124	0
Total Outside-County Postage				920.1672

968.597
48.42985

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1775		2748	2056	0	2056	0.223	0
1&2		0	0	0	0	0	0.248	0
3		0	0	0	0	0	0.267	0
4		0	0	0	0	0	0.315	0
5		0	0	0	0	0	0.389	0
6		0	0	0	0	0	0.466	0
7		0	0	0	0	0	0.559	0
8		0	0	0	0	0	0.638	0
Subtotal			2748	2056	0	2056		0
Nonadvertising Pounds							0.193	396.808
Total Pound Rate Postage								396.808

1.028828

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	186	109	0.373	40.657
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit		0		
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1520	1520	0.283	430.16
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	404	404	0.226	91.304
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2748	2671		769.443
Nonadv. %		267100	0.00074	197.654
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2671	0.002	5.342
Destination Entry		2671	0.015	40.065
All Other Pallets			0.005	0
Total Piece Rate Discount				243.061
Total Piece Rate Postage				526.382
Subtotal				923.19
Nonprofit/Classroom		923.19	0.05	46.1595
Subtotal				877.0305
Ride-Along		0	0.124	0
Total Outside-County Postage				877.0305
Additional Discount				
Zone 1 & 2		356	0.009	3.204
3		346	0.013	4.498
4		221	0.028	6.188
5		334	0.05	16.7
6		127	0.073	9.271
7		146	0.101	14.746
8		526	0.125	65.75
				120.357

0 5.85394

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
		476	476	466		466	0.248	0
	3	462	462	452		452	0.267	0
	4	295	295	289		289	0.315	0
	5	447	447	438		438	0.389	0
	6	170	170	166		166	0.466	0
	7	195	195	191		191	0.559	0
	8	703	703	688		688	0.638	0
Subtotal			2748	2690		2690		0
Nonadvertising Pounds							0.193	519.17
Total Pound Rate Postage								519.17

Presort Discount		Copies	Addressed Pcs.	Rate	Postage
Basic					
	Nonautomation	186	110	0.373	41.03
	Auto Letters	0	0	0.281	0
	Auto Flats	610	610	0.325	198.25
3-Digit			0		
	Nonautomation	28	28	0.324	9.072
	Auto Letters	0	0	0.249	0
	Auto Flats	1520	1520	0.283	430.16
5-Digit					
	Nonautomation	0	0	0.256	0
	Auto Letters	0	0	0.195	0
	Auto Flats	404	404	0.226	91.304
Carrier Route					
	Basic	0	0	0.163	0
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		2748	2672		769.816
Nonadv. %			267200	0.00074	197.728
DDU Rate			0	0.018	0
DSCF Rate			0	0.008	0
DADC rate			0	0.002	0
Destination Entry			0	0.015	0
All Other Pallets			0	0.005	0
Total Piece Rate Discount					197.728
Total Piece Rate Postage					572.088
Subtotal					1091.258
Nonprofit/Classroom			1091.258	0.05	54.5629
Subtotal					1036.695
Ride-Along			0	0.124	0
Total Outside-County Postage					1036.695

1091.258
54.5629

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1775		2748	2690	0	2690	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2748	2690	0	2690		0
Nonadvertising Pounds							0.193	519.17
Total Pound Rate Postage								519.17

1.028443

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	186	110	0.373	41.03
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit		0		
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1520	1520	0.283	430.16
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	404	404	0.226	91.304
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2748	2672		769.816
Nonadv. %		267200	0.00074	197.728
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2672	0.002	5.344
Destination Entry		2672	0.015	40.08
All Other Pallets			0.005	0
Total Piece Rate Discount				243.152
Total Piece Rate Postage				526.664
Subtotal				1045.834
Nonprofit/Classroom		1045.834	0.05	52.2917
Subtotal				993.5423
Ride-Along		0	0.124	0
Total Outside-County Postage				993.5423
Additional Discount				
Zone 1 & 2		466	0.009	4.194
3		452	0.013	5.876
4		289	0.028	8.092
5		438	0.05	21.9
6		166	0.073	12.118
7		191	0.101	19.291
8		688	0.125	86
				157.471

0 5.853941

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	792		792	1456	159	1297	0.248	39.432
3	699		699	1285	141	1144	0.267	37.647
4	648		648	1192	130	1062	0.315	40.95
5	1268		1268	2332	255	2077	0.389	99.195
6	785		785	1444	158	1286	0.466	73.628
7	330		330	607	66	541	0.559	36.894
8	611		611	1124	123	1001	0.638	78.474
Subtotal			5133	9440	1032	8408		406.22
Nonadvertising Pounds							0.193	1622.744
Total Pound Rate Postage								2028.964

Presort Discount		Copies	Addressed Pcs.	Rate	Postage
Basic					
	Nonautomation	2351	2286	0.373	852.678
	Auto Letters	0	0	0.281	0
	Auto Flats	0	0	0.325	0
3-Digit					
	Nonautomation	2571	2315	0.324	750.06
	Auto Letters	0	0	0.249	0
	Auto Flats	0	0	0.283	0
5-Digit					
	Nonautomation	124	81	0.256	20.736
	Auto Letters	0	0	0.195	0
	Auto Flats	0	0	0.226	0
Carrier Route					
	Basic	87	87	0.163	14.181
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		5133	4769		1637.655
Nonadv. %		424764.3		0.00074	314.3256
DDU Rate		0		0.018	0
DSCF Rate		0		0.008	0
DADC rate		0		0.002	0
Destination Entry		0		0.015	0
All Other Pallets		0		0.005	0
Total Piece Rate Discount					314.3256
Total Piece Rate Postage					1323.329
Subtotal					3352.293
Nonprofit/Classroom		2946.073		0.05	147.3037
Subtotal					3204.99
Ride-Along		0		0.124	0
Total Outside-County Postage					3204.99

2946.073
147.3037

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1775		5133	9440	1032	8408	0.223	230.136
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			5133	9440	1032	8408		230.136
Nonadvertising Pounds							0.193	1622.744
Total Pound Rate Postage								1852.88

1.076326

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	2351	2286	0.373	852.678
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit		0		
Nonautomation	2571	2315	0.324	750.06
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	124	81	0.256	20.736
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	87	87	0.163	14.181
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5133	4769		1637.655
Nonadv. %	424764.3		0.00074	314.3256
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	4769		0.002	9.538
Destination Entry	4769		0.015	71.535
All Other Pallets			0.005	0
Total Piece Rate Discount				395.3986
Total Piece Rate Postage				1242.256
Subtotal				3095.136
Nonprofit/Classroom		2865	0.05	143.25
Subtotal				2951.886
Ride-Along		0	0.124	0
Total Outside-County Postage				2951.886
Additional Discount				
Zone 1 & 2		1297	0.009	11.673
3		1144	0.013	14.872
4		1062	0.028	29.736
5		2077	0.05	103.85
6		1286	0.073	93.878
7		541	0.101	54.641
8		1001	0.125	125.125
				433.775

0 4.595074

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	478		478	436		436	0.248	0
3	464		464	423		423	0.267	0
4	296		296	270		270	0.315	0
5	449		449	409		409	0.389	0
6	170		170	155		155	0.466	0
7	195		195	178		178	0.559	0
8	705		705	642		642	0.638	0
Subtotal			2757	2513	0	2513		0
Nonadvertising Pounds							0.193	485.009
Total Pound Rate Postage								485.009

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	187	112	0.373	41.776
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit				
Nonautomation	29	29	0.324	9.396
Auto Letters	0	0	0.249	0
Auto Flats	1534	1534	0.283	434.122
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	397	397	0.226	89.722
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2757	2682		773.266
Nonadv. %		268200	0.00074	198.468
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets		0	0.005	0
Total Piece Rate Discount				198.468
Total Piece Rate Postage				574.798
Subtotal				1059.807
Nonprofit/Classroom		1059.807	0.05	52.99035
Subtotal				1006.817
Ride-Along		0	0.124	0
Total Outside-County Postage				1006.817

1059.807
52.99035

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	2757		2757	2513	0	2513	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			2757	2513	0	2513		0
Nonadvertising Pounds							0.193	485.009
Total Pound Rate Postage								485.009

1.027964

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	187	112	0.373	41.776
Auto Letters	0	0	0.281	0
Auto Flats	610	610	0.325	198.25
3-Digit				
Nonautomation	29	29	0.324	9.396
Auto Letters	0	0	0.249	0
Auto Flats	1534	1534	0.283	434.122
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	397	397	0.226	89.722
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2757	2682		773.266
Nonadv. %		268200	0.00074	198.468
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2682	0.002	5.364
Destination Entry		2682	0.015	40.23
All Other Pallets			0.005	0
Total Piece Rate Discount				244.062
Total Piece Rate Postage				529.204
Subtotal				1014.213
Nonprofit/Classroom		1014.213	0.05	50.71065
Subtotal				963.5024
Ride-Along		0	0.124	0
Total Outside-County Postage				963.5024
Additional Discount				
Zone 1 & 2		436	0.009	3.924
3		423	0.013	5.499
4		270	0.028	7.56
5		409	0.05	20.45
6		155	0.073	11.315
7		178	0.101	17.978
8		642	0.125	80.25
				146.976

0 5.848627

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADA		0	0	0	0	0	0.223	0
	635		635	1130	115	1015	0.248	28.52
3	498		498	886	90	796	0.267	24.03
4	342		342	609	62	547	0.315	19.53
5	573		573	1020	104	916	0.389	40.456
6	655		655	1166	119	1047	0.466	55.454
7	336		336	598	61	537	0.559	34.099
8	804		804	1431	146	1285	0.638	93.148
Subtotal			3843	6840	697	6143		295.237
Nonadvertising Pounds							0.193	1185.599
Total Pound Rate Postage								1480.836

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	182	135	0.373	50.355
Auto Letters	0	0	0.281	0
Auto Flats	466	466	0.325	151.45
3-Digit				
Nonautomation	240	127	0.324	41.148
Auto Letters	0	0	0.249	0
Auto Flats	1645	1645	0.283	465.535
5-Digit				
Nonautomation	2	2	0.256	0.512
Auto Letters	0	0	0.195	0
Auto Flats	1308	1308	0.226	295.608
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	3843	3683		1004.608
Nonadv. %	330770		0.00074	244.7698
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADA rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	0		0.005	0
Total Piece Rate Discount				244.7698
Total Piece Rate Postage				759.8382
Subtotal				2240.674
Nonprofit/Classroom	1945.437		0.05	97.27186
Subtotal				2143.402
Ride-Along	0		0.124	0
Total Outside-County Postage				2143.402

1945.437
97.27186

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	3843		3843	6840	697	6143	0.223	155.431
1&2		0	0	0	0	0	0.248	0
3		0	0	0	0	0	0.267	0
4		0	0	0	0	0	0.315	0
5		0	0	0	0	0	0.389	0
6		0	0	0	0	0	0.466	0
7		0	0	0	0	0	0.559	0
8		0	0	0	0	0	0.638	0
Subtotal			3843	6840	697	6143		155.431
Nonadvertising Pounds							0.193	1185.599
Total Pound Rate Postage								1341.03

1.043443

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	182	135	0.373	50.355
Auto Letters	0	0	0.281	0
Auto Flats	466	466	0.325	151.45
3-Digit				
Nonautomation	240	127	0.324	41.148
Auto Letters	0	0	0.249	0
Auto Flats	1645	1645	0.283	465.535
5-Digit				
Nonautomation	2	2	0.256	0.512
Auto Letters	0	0	0.195	0
Auto Flats	1308	1308	0.226	295.608
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	3843	3683		1004.608
Nonadv. %	330770		0.00074	244.7698
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	3683		0.002	7.366
Destination Entry	3683		0.015	55.245
All Other Pallets			0.005	0
Total Piece Rate Discount				307.3808
Total Piece Rate Postage				697.2272
Subtotal				2038.257
Nonprofit/Classroom	1882.826		0.05	94.14131
Subtotal				1944.116
Ride-Along	0		0.124	0
Total Outside-County Postage				1944.116
Additional Discount				
Zone 1 & 2	1015		0.009	9.135
3	796		0.013	10.348
4	547		0.028	15.316
5	916		0.05	45.8
6	1047		0.073	76.431
7	537		0.101	54.237
8	1285		0.125	160.625
				371.892

0 5.437018

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADA	0		0	0	0	0	0.223	0
	2803		2803	5452	596	4856	0.248	147.808
3	1180		1180	2295	251	2044	0.267	67.017
4	1195		1195	2324	254	2070	0.315	80.01
5	2143		2143	4168	456	3712	0.389	177.384
6	933		933	1815	199	1616	0.466	92.734
7	331		331	644	70	574	0.559	39.13
8	1793		1793	3487	381	3106	0.638	243.078
Subtotal			10378	20185	2207	17978		847.161
Nonadvertising Pounds							0.193	3469.754
Total Pound Rate Postage								4316.915

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	3578	3387	0.373	1263.351
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	4191	3958	0.324	1282.392
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	251	209	0.256	53.504
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	2358	1487	0.163	242.381
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	10378	9041		2841.628
Nonadv. %	805247		0.00074	595.8827
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADA rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	4528		0.005	22.64
Total Piece Rate Discount				618.5227
Total Piece Rate Postage				2223.105
Subtotal				6540.02
Nonprofit/Classroom	5692.859		0.05	284.643
Subtotal				6255.377
Ride-Along	0		0.124	0
Total Outside-County Postage				6255.377

5692.859
284.643

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	10378		10378	20185	2207	17978	0.223	492.161
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			10378	20185	2207	17978		492.161
Nonadvertising Pounds							0.193	3469.754
Total Pound Rate Postage								3961.915

1.147882								
Presort Discount			Copies	Addressed Pcs.		Rate	Postage	
Basic								
	Nonautomation		3578	3387		0.373	1263.351	
	Auto Letters		0	0		0.281	0	
	Auto Flats		0	0		0.325	0	
3-Digit								
	Nonautomation		4191	3958		0.324	1282.392	
	Auto Letters		0	0		0.249	0	
	Auto Flats		0	0		0.283	0	
5-Digit								
	Nonautomation		251	209		0.256	53.504	
	Auto Letters		0	0		0.195	0	
	Auto Flats		0	0		0.226	0	
Carrier Route								
	Basic		2358	1487		0.163	242.381	
	High Density		0	0		0.131	0	
	Saturation		0	0		0.112	0	
Subtotal			10378	9041			2841.628	
Nonadv. %				805247		0.00074	595.8827	
DDU Rate				0		0.018	0	
DSCF Rate				0		0.008	0	
DADC rate				9041		0.002	18.082	
Destination Entry				9041		0.015	135.615	
All Other Pallets						0.005	0	
Total Piece Rate Discount							749.5797	
Total Piece Rate Postage							2092.048	
Subtotal							6053.963	
Nonprofit/Classroom				5561.802		0.05	278.0901	
Subtotal							5775.873	
Ride-Along				0		0.124	0	
Total Outside-County Postage							5775.873	
Additional Discount								
	Zone 1 & 2			4856		0.009	43.704	
	3			2044		0.013	26.572	
	4			2070		0.028	57.96	
	5			3712		0.05	185.6	
	6			1616		0.073	117.968	
	7			574		0.101	57.974	
	8			3106		0.125	388.25	
							878.028	

0 4.349903

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADA		0	0	0		0	0.223	0
		856	856	688		688	0.248	0
	3	649	649	522		522	0.267	0
	4	922	922	741		741	0.315	0
	5	1101	1101	885		885	0.389	0
	6	536	536	431		431	0.466	0
	7	232	232	187		187	0.559	0
	8	735	735	591		591	0.638	0
Subtotal			5031	4045	0	4045		0
Nonadvertising Pounds							0.193	780.685
Total Pound Rate Postage								780.685

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	330	150	0.373	55.95
Auto Letters	0	0	0.281	0
Auto Flats	942	942	0.325	306.15
3-Digit				
Nonautomation	347	96	0.324	31.104
Auto Letters	0	0	0.249	0
Auto Flats	2500	2500	0.283	707.5
5-Digit				
Nonautomation	48	9	0.256	2.304
Auto Letters	0	0	0.195	0
Auto Flats	864	864	0.226	195.264
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5031	4561		1298.272
Nonadv. %		456100	0.00074	337.514
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADA rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				337.514
Total Piece Rate Postage				960.758
Subtotal				1741.443
Nonprofit/Classroom		1741.443	0.05	87.07215
Subtotal				1654.371
Ride-Along		0	0.124	0
Total Outside-County Postage				1654.371

1741.443
87.07215

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	5031		5031	4045	0	4045	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			5031	4045	0	4045		0
Nonadvertising Pounds							0.193	780.685
Total Pound Rate Postage								780.685

1.103048

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	330	150	0.373	55.95
Auto Letters	0	0	0.281	0
Auto Flats	942	942	0.325	306.15
3-Digit				
Nonautomation	347	96	0.324	31.104
Auto Letters	0	0	0.249	0
Auto Flats	2500	2500	0.283	707.5
5-Digit				
Nonautomation	48	9	0.256	2.304
Auto Letters	0	0	0.195	0
Auto Flats	864	864	0.226	195.264
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5031	4561		1298.272
Nonadv. %		456100	0.00074	337.514
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		4561	0.002	9.122
Destination Entry		4561	0.015	68.415
All Other Pallets			0.005	0
Total Piece Rate Discount				415.051
Total Piece Rate Postage				883.221
Subtotal				1663.906
Nonprofit/Classroom		1663.906	0.05	83.1953
Subtotal				1580.711
Ride-Along		0	0.124	0
Total Outside-County Postage				1580.711
Additional Discount				
Zone 1 & 2		688	0.009	6.192
3		522	0.013	6.786
4		741	0.028	20.748
5		885	0.05	44.25
6		431	0.073	31.463
7		187	0.101	18.887
8		591	0.125	73.875
				202.201

0 4.998789

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	0		0	0	0	0	0.223	0
	735		735	1552	170	1382	0.248	42.16
3	701		701	1481	162	1319	0.267	43.254
4	635		635	1341	147	1194	0.315	46.305
5	953		953	2013	220	1793	0.389	85.58
6	793		793	1675	183	1492	0.466	85.278
7	331		331	699	76	623	0.559	42.484
8	652		652	1377	151	1226	0.638	96.338
Subtotal			4800	10138	1109	9029		441.399
Nonadvertising Pounds							0.193	1742.597
Total Pound Rate Postage								2183.996

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	2408	2341	0.373	873.193
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	2217	2017	0.324	653.508
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	115	86	0.256	22.016
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	60	54	0.163	8.802
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	4800	4498		1557.519
Nonadv. %	400596.2		0.00074	296.4412
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	0		0.005	0
Total Piece Rate Discount				296.4412
Total Piece Rate Postage				1261.078
Subtotal				3445.074
Nonprofit/Classroom	3003.675		0.05	150.1837
Subtotal				3294.89
Ride-Along	0		0.124	0
Total Outside-County Postage				3294.89

3003.675
150.1837

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	4800		4800	10138	1109	9029	0.223	247.307
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			4800	10138	1109	9029		247.307
Nonadvertising Pounds							0.193	1742.597
Total Pound Rate Postage								1989.904

1.067141

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	2408	2341	0.373	873.193
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	2217	2017	0.324	653.508
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	115	86	0.256	22.016
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	60	54	0.163	8.802
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	4800	4498		1557.519
Nonadv. %	400596.2		0.00074	296.4412
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	4498		0.002	8.996
Destination Entry	4498		0.015	67.47
All Other Pallets			0.005	0
Total Piece Rate Discount				372.9072
Total Piece Rate Postage				1184.612
Subtotal				3174.516
Nonprofit/Classroom	2927.209		0.05	146.3604
Subtotal				3028.155
Ride-Along	0		0.124	0
Total Outside-County Postage				3028.155
Additional Discount				
Zone 1 & 2	1382		0.009	12.438
3	1319		0.013	17.147
4	1194		0.028	33.432
5	1793		0.05	89.65
6	1492		0.073	108.916
7	623		0.101	62.923
8	1226		0.125	153.25
				477.756

0 4.712527

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	1153		1153	2556		2556	0.248	0
	3	1075	1075	2383		2383	0.267	0
	4	1021	1021	2264		2264	0.315	0
	5	932	932	2066		2066	0.389	0
	6	489	489	1084		1084	0.466	0
	7	103	103	228		228	0.559	0
	8	1004	1004	2226		2226	0.638	0
Subtotal			5777	12807	0	12807		0
Nonadvertising Pounds							0.193	2471.751
Total Pound Rate Postage								2471.751

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	761	733	0.373	273.409
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	967	954	0.324	309.096
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	4049	3475	0.256	889.6
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5777	5162		1472.105
Nonadv. %		516200	0.00074	381.988
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets		2065	0.005	10.325
Total Piece Rate Discount				392.313
Total Piece Rate Postage				1079.792
Subtotal				3551.543
Nonprofit/Classroom		3551.543	0.05	177.5772
Subtotal				3373.966
Ride-Along		0	0.124	0
Total Outside-County Postage				3373.966

3551.543
177.5772

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	5777		5777	12807	0	12807	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			5777	12807	0	12807		0
Nonadvertising Pounds							0.193	2471.751
Total Pound Rate Postage								2471.751

1.11914

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	761	733	0.373	273.409
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	967	954	0.324	309.096
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	4049	3475	0.256	889.6
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	5777	5162		1472.105
Nonadv. %		516200	0.00074	381.988
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		5162	0.002	10.324
Destination Entry		5162	0.015	77.43
All Other Pallets			0.005	0
Total Piece Rate Discount				469.742
Total Piece Rate Postage				1002.363
Subtotal				3474.114
Nonprofit/Classroom		3474.114	0.05	173.7057
Subtotal				3300.408
Ride-Along		0	0.124	0
Total Outside-County Postage				3300.408
Additional Discount				
Zone 1 & 2		2556	0.009	23.004
3		2383	0.013	30.979
4		2264	0.028	63.392
5		2066	0.05	103.3
6		1084	0.073	79.132
7		228	0.101	23.028
8		2226	0.125	278.25
				601.085
			0	4.69341

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		2	2	3	0	3	0.203	0
DADC		8	8	11	0	11	0.223	0
		75	75	105		105	0.248	0
	3	329	329	461		461	0.267	0
	4	309	309	433		433	0.315	0
	5	144	144	202		202	0.389	0
	6	82	82	115		115	0.466	0
	7	95	95	133		133	0.559	0
	8	331	331	464		464	0.638	0
Subtotal			1375	1927	0	1927		0
Nonadvertising Pounds							0.193	371.911
Total Pound Rate Postage								371.911

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	971	971	0.373	362.183
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	86	86	0.324	27.864
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	318	318	0.256	81.408
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1375	1375		471.455
Nonadv. %		137500	0.00074	101.75
DDU Rate		0	0.018	0
DSCF Rate		2	0.008	0.016
DADC rate		8	0.002	0.016
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				101.782
Total Piece Rate Postage				369.673
Subtotal				741.584
Nonprofit/Classroom		741.584	0.05	37.0792
Subtotal				704.5048
Ride-Along		0	0.124	0
Total Outside-County Postage				704.5048

741.584
37.0792

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1375		1375	1927	0	1927	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			1375	1927	0	1927		0
Nonadvertising Pounds							0.193	371.911
Total Pound Rate Postage								371.911

1		Copies	Addressed Pcs.	Rate	Postage
Presort Discount					
Basic					
	Nonautomation	971	971	0.373	362.183
	Auto Letters	0	0	0.281	0
	Auto Flats	0	0	0.325	0
3-Digit					
	Nonautomation	86	86	0.324	27.864
	Auto Letters	0	0	0.249	0
	Auto Flats	0	0	0.283	0
5-Digit					
	Nonautomation	318	318	0.256	81.408
	Auto Letters	0	0	0.195	0
	Auto Flats	0	0	0.226	0
Carrier Route					
	Basic	0	0	0.163	0
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		1375	1375		471.455
Nonadv. %		137500		0.00074	101.75
DDU Rate		0		0.018	0
DSCF Rate		0		0.008	0
DADC rate		1375		0.002	2.75
Destination Entry		1375		0.015	20.625
All Other Pallets				0.005	0
Total Piece Rate Discount					125.125
Total Piece Rate Postage					346.33
Subtotal					718.241
Nonprofit/Classroom		718.241		0.05	35.91205
Subtotal					682.329
Ride-Along		0		0.124	0
Total Outside-County Postage					682.329
Additional Discount					
	Zone 1 & 2		105	0.009	0.945
	3		461	0.013	5.993
	4		433	0.028	12.124
	5		202	0.05	10.1
	6		115	0.073	8.395
	7		133	0.101	13.433
	8		464	0.125	58
					108.99

0 5.655942

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		4	4	16	0	16	0.223	0
		41	41	167		167	0.248	0
	3	196	196	799		799	0.267	0
	4	197	197	803		803	0.315	0
	5	80	80	326		326	0.389	0
	6	61	61	249		249	0.466	0
	7	52	52	212		212	0.559	0
	8	219	219	892		892	0.638	0
Subtotal			850	3464	0	3464		0
Nonadvertising Pounds							0.193	668.552
Total Pound Rate Postage								668.552

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	446	446	0.373	166.358
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	118	118	0.324	38.232
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	286	286	0.256	73.216
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	850	850		277.806
Nonadv. %		85000	0.00074	62.9
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		4	0.002	0.008
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				62.908
Total Piece Rate Postage				214.898
Subtotal				883.45
Nonprofit/Classroom		883.45	0.05	44.1725
Subtotal				839.2775
Ride-Along		0	0.124	0
Total Outside-County Postage				839.2775

883.45
44.1725

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		850	850	3464	0	3464	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			850	3464	0	3464		0
Nonadvertising Pounds							0.193	668.552
Total Pound Rate Postage								668.552

1		Copies	Addressed Pcs.	Rate	Postage
Presort Discount					
Basic					
	Nonautomation	446	446	0.373	166.358
	Auto Letters	0	0	0.281	0
	Auto Flats	0	0	0.325	0
3-Digit					
	Nonautomation	118	118	0.324	38.232
	Auto Letters	0	0	0.249	0
	Auto Flats	0	0	0.283	0
5-Digit					
	Nonautomation	286	286	0.256	73.216
	Auto Letters	0	0	0.195	0
	Auto Flats	0	0	0.226	0
Carrier Route					
	Basic	0	0	0.163	0
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		850	850		277.806
Nonadv. %		85000		0.00074	62.9
DDU Rate		0		0.018	0
DSCF Rate		0		0.008	0
DADC rate		850		0.002	1.7
Destination Entry		850		0.015	12.75
All Other Pallets				0.005	0
Total Piece Rate Discount					77.35
Total Piece Rate Postage					200.456
Subtotal					869.008
Nonprofit/Classroom		869.008		0.05	43.4504
Subtotal					825.5576
Ride-Along		0		0.124	0
Total Outside-County Postage					825.5576
Additional Discount					
	Zone 1 & 2	167		0.009	1.503
	3	799		0.013	10.387
	4	803		0.028	22.484
	5	326		0.05	16.3
	6	249		0.073	18.177
	7	212		0.101	21.412
	8	892		0.125	111.5
					201.763

0 5.824567

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	393		393	862		862	0.248	0
3	460		460	1009		1009	0.267	0
4	299		299	656		656	0.315	0
5	297		297	652		652	0.389	0
6	105		105	230		230	0.466	0
7	32		32	70		70	0.559	0
8	266		266	584		584	0.638	0
Subtotal			1852	4063	0	4063		0
Nonadvertising Pounds							0.193	784.159
Total Pound Rate Postage								784.159

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	136	110	0.373	41.03
Auto Letters	0	0	0.281	0
Auto Flats	442	442	0.325	143.65
3-Digit				
Nonautomation	52	52	0.324	16.848
Auto Letters	0	0	0.249	0
Auto Flats	387	387	0.283	109.521
5-Digit				
Nonautomation	19	19	0.256	4.864
Auto Letters	0	0	0.195	0
Auto Flats	308	308	0.226	69.608
Carrier Route				
Basic	508	205	0.163	33.415
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1852	1523		418.936
Nonadv. %	152300		0.00074	112.702
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	159		0.005	0.795
Total Piece Rate Discount				113.497
Total Piece Rate Postage				305.439
Subtotal				1089.598
Nonprofit/Classroom	1089.598		0.05	54.4799
Subtotal				1035.118
Ride-Along	0		0.124	0
Total Outside-County Postage				1035.118

1089.598
54.4799

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1852		1852	4063	0	4063	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			1852	4063	0	4063		0
Nonadvertising Pounds							0.193	784.159
Total Pound Rate Postage								784.159

1.216021

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	136	110	0.373	41.03
Auto Letters	0	0	0.281	0
Auto Flats	442	442	0.325	143.65
3-Digit				
Nonautomation	52	52	0.324	16.848
Auto Letters	0	0	0.249	0
Auto Flats	387	387	0.283	109.521
5-Digit				
Nonautomation	19	19	0.256	4.864
Auto Letters	0	0	0.195	0
Auto Flats	308	308	0.226	69.608
Carrier Route				
Basic	508	205	0.163	33.415
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1852	1523		418.936
Nonadv. %	152300		0.00074	112.702
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	1523		0.002	3.046
Destination Entry	1523		0.015	22.845
All Other Pallets			0.005	0
Total Piece Rate Discount				138.593
Total Piece Rate Postage				280.343
Subtotal				1064.502
Nonprofit/Classroom	1064.502		0.05	53.2251
Subtotal				1011.277
Ride-Along	0		0.124	0
Total Outside-County Postage				1011.277
Additional Discount				
Zone 1 & 2	862		0.009	7.758
3	1009		0.013	13.117
4	656		0.028	18.368
5	652		0.05	32.6
6	230		0.073	16.79
7	70		0.101	7.07
8	584		0.125	73
				168.703

0 4.152178

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	191		191	419		419	0.248	0
	3	232	232	509		509	0.267	0
	4	299	299	656		656	0.315	0
	5	297	297	652		652	0.389	0
	6	105	105	230		230	0.466	0
	7	32	32	70		70	0.559	0
	8	266	266	584		584	0.638	0
Subtotal			1422	3120	0	3120		0
Nonadvertising Pounds							0.193	602.16
Total Pound Rate Postage								602.16

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	105	103	0.373	38.419
Auto Letters	0	0	0.281	0
Auto Flats	420	420	0.325	136.5
3-Digit				
Nonautomation	50	50	0.324	16.2
Auto Letters	0	0	0.249	0
Auto Flats	365	365	0.283	103.295
5-Digit				
Nonautomation	16	16	0.256	4.096
Auto Letters	0	0	0.195	0
Auto Flats	296	296	0.226	66.896
Carrier Route				
Basic	170	114	0.163	18.582
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1422	1364		383.988
Nonadv. %		136400	0.00074	100.936
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				100.936
Total Piece Rate Postage				283.052
Subtotal				885.212
Nonprofit/Classroom		885.212	0.05	44.2606
Subtotal				840.9514
Ride-Along		0	0.124	0
Total Outside-County Postage				840.9514

885.212
44.2606

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1422		1422	3120	0	3120	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			1422	3120	0	3120		0
Nonadvertising Pounds							0.193	602.16
Total Pound Rate Postage								602.16

1.042522

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	105	103	0.373	38.419
Auto Letters	0	0	0.281	0
Auto Flats	420	420	0.325	136.5
3-Digit				
Nonautomation	50	50	0.324	16.2
Auto Letters	0	0	0.249	0
Auto Flats	365	365	0.283	103.295
5-Digit				
Nonautomation	16	16	0.256	4.096
Auto Letters	0	0	0.195	0
Auto Flats	296	296	0.226	66.896
Carrier Route				
Basic	170	114	0.163	18.582
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1422	1364		383.988
Nonadv. %		136400	0.00074	100.936
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		1364	0.002	2.728
Destination Entry		1364	0.015	20.46
All Other Pallets			0.005	0
Total Piece Rate Discount				124.124
Total Piece Rate Postage				259.864
Subtotal				862.024
Nonprofit/Classroom		862.024	0.05	43.1012
Subtotal				818.9228
Ride-Along		0	0.124	0
Total Outside-County Postage				818.9228
Additional Discount				
Zone 1 & 2		419	0.009	3.771
3		509	0.013	6.617
4		656	0.028	18.368
5		652	0.05	32.6
6		230	0.073	16.79
7		70	0.101	7.07
8		584	0.125	73
				158.216

0 5.071026

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	837		837	1071	150	921	0.248	37.2
3	993		993	1270	178	1092	0.267	47.526
4	1492		1492	1908	267	1641	0.315	84.105
5	1972		1972	2522	353	2169	0.389	137.317
6	703		703	899	126	773	0.466	58.716
7	303		303	388	54	334	0.559	30.186
8	1310		1310	1675	234	1441	0.638	149.292
Subtotal			7610	9733	1362	8371		544.342
Nonadvertising Pounds							0.193	1615.603
Total Pound Rate Postage								2159.945

Presort Discout		Copies	Addressed Pcs.	Rate	Postage
Basic					
	Nonautomation	184	175	0.373	65.275
	Auto Letters	0	0	0.281	0
	Auto Flats	931	931	0.325	302.575
3-Digit					
	Nonautomation	239	220	0.324	71.28
	Auto Letters	0	0	0.249	0
	Auto Flats	4001	4001	0.283	1132.283
5-Digit					
	Nonautomation	5	5	0.256	1.28
	Auto Letters	0	0	0.195	0
	Auto Flats	2067	2067	0.226	467.142
Carrier Route					
	Basic	183	118	0.163	19.234
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		7610	7517		2059.069
Nonadv. %		646509.9		0.00074	478.4173
DDU Rate		0		0.018	0
DSCF Rate		0		0.008	0
DADC rate		0		0.002	0
Destination Entry		0		0.015	0
All Other Pallets				0.005	0
Total Piece Rate Discount					478.4173
Total Piece Rate Postage					1580.652
Subtotal					3740.597
Nonprofit/Classroom		3196.255		0.05	159.8127
Subtotal					3580.784
Ride-Along		0		0.124	0
Total Outside-County Postage					3580.784

3196.255
159.8127

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	7610		7610	9733	1362	8371	0.223	303.726
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			7610	9733	1362	8371		303.726
Nonadvertising Pounds							0.193	1615.603
Total Pound Rate Postage								1919.329

1.012372

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	184	175	0.373	65.275
Auto Letters	0	0	0.281	0
Auto Flats	931	931	0.325	302.575
3-Digit				
Nonautomation	239	220	0.324	71.28
Auto Letters	0	0	0.249	0
Auto Flats	4001	4001	0.283	1132.283
5-Digit				
Nonautomation	5	5	0.256	1.28
Auto Letters	0	0	0.195	0
Auto Flats	2067	2067	0.226	467.142
Carrier Route				
Basic	183	118	0.163	19.234
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	7610	7517		2059.069
Nonadv. %	646509.9		0.00074	478.4173
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	7517		0.002	15.034
Destination Entry	7517		0.015	112.755
All Other Pallets			0.005	0
Total Piece Rate Discount				606.2063
Total Piece Rate Postage				1452.863
Subtotal				3372.192
Nonprofit/Classroom	3068.466		0.05	153.4233
Subtotal				3218.768
Ride-Along	0		0.124	0
Total Outside-County Postage				3218.768
Additional Discount				
Zone 1 & 2	921		0.009	8.289
3	1092		0.013	14.196
4	1641		0.028	45.948
5	2169		0.05	108.45
6	773		0.073	56.429
7	334		0.101	33.734
8	1441		0.125	180.125
				447.171

0 4.59438

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	439		439	1072		1072	0.248	0
3	348		348	850		850	0.267	0
4	440		440	1074		1074	0.315	0
5	442		442	1079		1079	0.389	0
6	158		158	386		386	0.466	0
7	55		55	134		134	0.559	0
8	316		316	772		772	0.638	0
Subtotal			2198	5367	0	5367		0
Nonadvertising Pounds							0.193	1035.831
Total Pound Rate Postage								1035.831

Presort Discount		Copies	Addressed Pcs.	Rate	Postage
Basic					
	Nonautomation	150	147	0.373	54.831
	Auto Letters	0	0	0.281	0
	Auto Flats	576	576	0.325	187.2
3-Digit					
	Nonautomation	56	53	0.324	17.172
	Auto Letters	0	0	0.249	0
	Auto Flats	502	502	0.283	142.066
5-Digit					
	Nonautomation	39	36	0.256	9.216
	Auto Letters	0	0	0.195	0
	Auto Flats	371	371	0.226	83.846
Carrier Route					
	Basic	504	281	0.163	45.803
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		2198	1966		540.134
Nonadv. %			196600	0.00074	145.484
DDU Rate			0	0.018	0
DSCF Rate			0	0.008	0
DADC rate			0	0.002	0
Destination Entry			0	0.015	0
All Other Pallets			85	0.005	0.425
Total Piece Rate Discount					145.909
Total Piece Rate Postage					394.225
Subtotal					1430.056
Nonprofit/Classroom			1430.056	0.05	71.5028
Subtotal					1358.553
Ride-Along			0	0.124	0
Total Outside-County Postage					1358.553

1430.056
71.5028

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	2198		2198	5367	0	5367	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2198	5367	0	5367		0
Nonadvertising Pounds							0.193	1035.831
Total Pound Rate Postage								1035.831

1.118006

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	150	147	0.373	54.831
Auto Letters	0	0	0.281	0
Auto Flats	576	576	0.325	187.2
3-Digit				
Nonautomation	56	53	0.324	17.172
Auto Letters	0	0	0.249	0
Auto Flats	502	502	0.283	142.066
5-Digit				
Nonautomation	39	36	0.256	9.216
Auto Letters	0	0	0.195	0
Auto Flats	371	371	0.226	83.846
Carrier Route				
Basic	504	281	0.163	45.803
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2198	1966		540.134
Nonadv. %		196600	0.00074	145.484
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		1966	0.002	3.932
Destination Entry		1966	0.015	29.49
All Other Pallets			0.005	0
Total Piece Rate Discount				178.906
Total Piece Rate Postage				361.228
Subtotal				1397.059
Nonprofit/Classroom		1397.059	0.05	69.85295
Subtotal				1327.206
Ride-Along		0	0.124	0
Total Outside-County Postage				1327.206
Additional Discount				
Zone 1 & 2		1072	0.009	9.648
3		850	0.013	11.05
4		1074	0.028	30.072
5		1079	0.05	53.95
6		386	0.073	28.178
7		134	0.101	13.534
8		772	0.125	96.5
				242.932

0 4.526402

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	243		243	593		593	0.248	0
3	348		348	850		850	0.267	0
4	440		440	1074		1074	0.315	0
5	330		330	806		806	0.389	0
6	158		158	386		386	0.466	0
7	55		55	134		134	0.559	0
8	316		316	772		772	0.638	0
Subtotal			1890	4615	0	4615		0
Nonadvertising Pounds							0.193	890.695
Total Pound Rate Postage								890.695

Presort Discout

	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	150	147	0.373	54.831
Auto Letters	0	0	0.281	0
Auto Flats	576	576	0.325	187.2
3-Digit				
Nonautomation	56	53	0.324	17.172
Auto Letters	0	0	0.249	0
Auto Flats	502	502	0.283	142.066
5-Digit				
Nonautomation	39	36	0.256	9.216
Auto Letters	0	0	0.195	0
Auto Flats	371	371	0.226	83.846
Carrier Route				
Basic	196	196	0.163	31.948
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1890	1881		526.279
Nonadv. %		188100	0.00074	139.194
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				139.194
Total Piece Rate Postage				387.085
Subtotal				1277.78
Nonprofit/Classroom		1277.78	0.05	63.889
Subtotal				1213.891
Ride-Along		0	0.124	0
Total Outside-County Postage				1213.891

1277.78
63.889

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	1890		1890	4615	0	4615	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			1890	4615	0	4615		0
Nonadvertising Pounds							0.193	890.695
Total Pound Rate Postage								890.695

1.004785

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	150	147	0.373	54.831
Auto Letters	0	0	0.281	0
Auto Flats	576	576	0.325	187.2
3-Digit				
Nonautomation	56	53	0.324	17.172
Auto Letters	0	0	0.249	0
Auto Flats	502	502	0.283	142.066
5-Digit				
Nonautomation	39	36	0.256	9.216
Auto Letters	0	0	0.195	0
Auto Flats	371	371	0.226	83.846
Carrier Route				
Basic	196	196	0.163	31.948
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1890	1881		526.279
Nonadv. %		188100	0.00074	139.194
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		1881	0.002	3.762
Destination Entry		1881	0.015	28.215
All Other Pallets			0.005	0
Total Piece Rate Discount				171.171
Total Piece Rate Postage				355.108
Subtotal				1245.803
Nonprofit/Classroom		1245.803	0.05	62.29015
Subtotal				1183.513
Ride-Along		0	0.124	0
Total Outside-County Postage				1183.513
Additional Discount				
Zone 1 & 2		593	0.009	5.337
3		850	0.013	11.05
4		1074	0.028	30.072
5		806	0.05	40.3
6		386	0.073	28.178
7		134	0.101	13.534
8		772	0.125	96.5
				224.971

0 4.874778

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	376		376	1745		1745	0.248	0
3	547		547	2538		2538	0.267	0
4	218		218	1012		1012	0.315	0
5	310		310	1438		1438	0.389	0
6	89		89	413		413	0.466	0
7	35		35	162		162	0.559	0
8	176		176	817		817	0.638	0
Subtotal			1751	8125	0	8125		0
Nonadvertising Pounds							0.193	1568.125
Total Pound Rate Postage								1568.125

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	90	90	0.373	33.57
Auto Letters	0	0	0.281	0
Auto Flats	524	524	0.325	170.3
3-Digit				
Nonautomation	27	27	0.324	8.748
Auto Letters	0	0	0.249	0
Auto Flats	271	271	0.283	76.693
5-Digit				
Nonautomation	60	60	0.256	15.36
Auto Letters	0	0	0.195	0
Auto Flats	779	779	0.226	176.054
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	1751	1751		480.725
Nonadv. %	175100		0.00074	129.574
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	674		0.005	3.37
Total Piece Rate Discount				132.944
Total Piece Rate Postage				347.781
Subtotal				1915.906
Nonprofit/Classroom	1915.906		0.05	95.7953
Subtotal				1820.111
Ride-Along	0		0.124	0
Total Outside-County Postage				1820.111

1915.906
95.7953

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	1751		1751	8125	0	8125	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			1751	8125	0	8125		0
Nonadvertising Pounds							0.193	1568.125
Total Pound Rate Postage								1568.125

1		Copies	Addressed Pcs.	Rate	Postage
Presort Discount					
Basic					
	Nonautomation	90	90	0.373	33.57
	Auto Letters	0	0	0.281	0
	Auto Flats	524	524	0.325	170.3
3-Digit					
	Nonautomation	27	27	0.324	8.748
	Auto Letters	0	0	0.249	0
	Auto Flats	271	271	0.283	76.693
5-Digit					
	Nonautomation	60	60	0.256	15.36
	Auto Letters	0	0	0.195	0
	Auto Flats	779	779	0.226	176.054
Carrier Route					
	Basic	0	0	0.163	0
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		1751	1751		480.725
Nonadv. %			175100	0.00074	129.574
DDU Rate			0	0.018	0
DSCF Rate			0	0.008	0
DADC rate			1751	0.002	3.502
Destination Entry			1751	0.015	26.265
All Other Pallets				0.005	0
Total Piece Rate Discount					159.341
Total Piece Rate Postage					321.384
Subtotal					1889.509
Nonprofit/Classroom			1889.509	0.05	94.47545
Subtotal					1795.034
Ride-Along			0	0.124	0
Total Outside-County Postage					1795.034
Additional Discount					
	Zone 1 & 2		1745	0.009	15.705
	3		2538	0.013	32.994
	4		1012	0.028	28.336
	5		1438	0.05	71.9
	6		413	0.073	30.149
	7		162	0.101	16.362
	8		817	0.125	102.125
					297.571

0 3.662412

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	421		421	335		335	0.248	0
3	685		685	545		545	0.267	0
4	641		641	510		510	0.315	0
5	622		622	494		494	0.389	0
6	239		239	190		190	0.466	0
7	97		97	77		77	0.559	0
8	612		612	487		487	0.638	0
Subtotal			3317	2638	0	2638		0
Nonadvertising Pounds							0.193	509.134
Total Pound Rate Postage								509.134

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	105	90	0.373	33.57
Auto Letters	0	0	0.281	0
Auto Flats	1273	1273	0.325	413.725
3-Digit				
Nonautomation	45	35	0.324	11.34
Auto Letters	0	0	0.249	0
Auto Flats	1442	1442	0.283	408.086
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	428	428	0.226	96.728
Carrier Route				
Basic	24	24	0.163	3.912
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	3317	3292		967.361
Nonadv. %		329200	0.00074	243.608
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				243.608
Total Piece Rate Postage				723.753
Subtotal				1232.887
Nonprofit/Classroom		1232.887	0.05	61.64435
Subtotal				1171.243
Ride-Along		0	0.124	0
Total Outside-County Postage				1171.243

1232.887
61.64435

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	3317		3317	2638	0	2638	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			3317	2638	0	2638		0
Nonadvertising Pounds							0.193	509.134
Total Pound Rate Postage								509.134

1.007594

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	105	90	0.373	33.57
Auto Letters	0	0	0.281	0
Auto Flats	1273	1273	0.325	413.725
3-Digit				
Nonautomation	45	35	0.324	11.34
Auto Letters	0	0	0.249	0
Auto Flats	1442	1442	0.283	408.086
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	428	428	0.226	96.728
Carrier Route				
Basic	24	24	0.163	3.912
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	3317	3292		967.361
Nonadv. %		329200	0.00074	243.608
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		3292	0.002	6.584
Destination Entry		3292	0.015	49.38
All Other Pallets			0.005	0
Total Piece Rate Discount				299.572
Total Piece Rate Postage				667.789
Subtotal				1176.923
Nonprofit/Classroom		1176.923	0.05	58.84615
Subtotal				1118.077
Ride-Along		0	0.124	0
Total Outside-County Postage				1118.077
Additional Discount				
Zone 1 & 2		335	0.009	3.015
3		545	0.013	7.085
4		510	0.028	14.28
5		494	0.05	24.7
6		190	0.073	13.87
7		77	0.101	7.777
8		487	0.125	60.875
				131.602

0 4.988704

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	1105		1105	1027		1027	0.248	0
3	1724		1724	1602		1602	0.267	0
4	2062		2062	1916		1916	0.315	0
5	2158		2158	2005		2005	0.389	0
6	961		961	893		893	0.466	0
7	430		430	399		399	0.559	0
8	2282		2282	2120		2120	0.638	0
Subtotal			10722	9962	0	9962		0
Nonadvertising Pounds							0.193	1922.666
Total Pound Rate Postage								1922.666

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	175	152	0.373	56.696
Auto Letters	0	0	0.281	0
Auto Flats	971	971	0.325	315.575
3-Digit				
Nonautomation	358	269	0.324	87.156
Auto Letters	0	0	0.249	0
Auto Flats	7466	7466	0.283	2112.878
5-Digit				
Nonautomation	3	3	0.256	0.768
Auto Letters	0	0	0.195	0
Auto Flats	1636	1636	0.226	369.736
Carrier Route				
Basic	113	73	0.163	11.899
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	10722	10570		2954.708
Nonadv. %	1057000		0.00074	782.18
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	1202		0.005	6.01
Total Piece Rate Discount				788.19
Total Piece Rate Postage				2166.518
Subtotal				4089.184
Nonprofit/Classroom	4089.184		0.05	204.4592
Subtotal				3884.725
Ride-Along	0		0.124	0
Total Outside-County Postage				3884.725

4089.184
204.4592

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	10722		10722	9962	0	9962	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			10722	9962	0	9962		0
Nonadvertising Pounds							0.193	1922.666
Total Pound Rate Postage								1922.666

1.01438

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	175	152	0.373	56.696
Auto Letters	0	0	0.281	0
Auto Flats	971	971	0.325	315.575
3-Digit				
Nonautomation	358	269	0.324	87.156
Auto Letters	0	0	0.249	0
Auto Flats	7466	7466	0.283	2112.878
5-Digit				
Nonautomation	3	3	0.256	0.768
Auto Letters	0	0	0.195	0
Auto Flats	1636	1636	0.226	369.736
Carrier Route				
Basic	113	73	0.163	11.899
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	10722	10570		2954.708
Nonadv. %		1057000	0.00074	782.18
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		10570	0.002	21.14
Destination Entry		10570	0.015	158.55
All Other Pallets			0.005	0
Total Piece Rate Discount				961.87
Total Piece Rate Postage				1992.838
Subtotal				3915.504
Nonprofit/Classroom		3915.504	0.05	195.7752
Subtotal				3719.729
Ride-Along		0	0.124	0
Total Outside-County Postage				3719.729
Additional Discount				
Zone 1 & 2		1027	0.009	9.243
3		1602	0.013	20.826
4		1916	0.028	53.648
5		2005	0.05	100.25
6		893	0.073	65.189
7		399	0.101	40.299
8		2120	0.125	265
				554.455
			0	5.5657

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
		985	985	915		915	0.248	0
	3	1487	1487	1381		1381	0.267	0
	4	2062	2062	1916		1916	0.315	0
	5	2158	2158	2005		2005	0.389	0
	6	961	961	893		893	0.466	0
	7	430	430	399		399	0.559	0
	8	1418	1418	1317		1317	0.638	0
Subtotal			9501	8826	0	8826		0
Nonadvertising Pounds							0.193	1703.418
Total Pound Rate Postage								1703.418

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	154	150	0.373	55.95
Auto Letters	0	0	0.281	0
Auto Flats	949	949	0.325	308.425
3-Digit				
Nonautomation	327	238	0.324	77.112
Auto Letters	0	0	0.249	0
Auto Flats	6498	6498	0.283	1838.934
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	1484	1484	0.226	335.384
Carrier Route				
Basic	89	49	0.163	7.987
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	9501	9368		2623.792
Nonadv. %		936800	0.00074	693.232
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				693.232
Total Piece Rate Postage				1930.56
Subtotal				3633.978
Nonprofit/Classroom		3633.978	0.05	181.6989
Subtotal				3452.279
Ride-Along		0	0.124	0
Total Outside-County Postage				3452.279

3633.978
181.6989

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	9501		9501	8826	0	8826	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			9501	8826	0	8826		0
Nonadvertising Pounds							0.193	1703.418
Total Pound Rate Postage								1703.418

1.014197								
Presort Discount		Copies	Addressed Pcs.		Rate		Postage	
Basic								
Nonautomation		154	150		0.373		55.95	
Auto Letters		0	0		0.281		0	
Auto Flats		949	949		0.325		308.425	
3-Digit								
Nonautomation		327	238		0.324		77.112	
Auto Letters		0	0		0.249		0	
Auto Flats		6498	6498		0.283		1838.934	
5-Digit								
Nonautomation		0	0		0.256		0	
Auto Letters		0	0		0.195		0	
Auto Flats		1484	1484		0.226		335.384	
Carrier Route								
Basic		89	49		0.163		7.987	
High Density		0	0		0.131		0	
Saturation		0	0		0.112		0	
Subtotal		9501	9368				2623.792	
Nonadv. %			936800		0.00074		693.232	
DDU Rate			0		0.018		0	
DSCF Rate			0		0.008		0	
DADC rate			9368		0.002		18.736	
Destination Entry			9368		0.015		140.52	
All Other Pallets					0.005		0	
Total Piece Rate Discount							852.488	
Total Piece Rate Postage							1771.304	
Subtotal							3474.722	
Nonprofit/Classroom			3474.722		0.05		173.7361	
Subtotal							3300.986	
Ride-Along			0		0.124		0	
Total Outside-County Postage							3300.986	
Additional Discount								
Zone 1 & 2			915		0.009		8.235	
3			1381		0.013		17.953	
4			1916		0.028		53.648	
5			2005		0.05		100.25	
6			893		0.073		65.189	
7			399		0.101		40.299	
8			1317		0.125		164.625	
							450.199	

0 5.100827

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		0	0	0	0	0	0.223	0
	115		115	111		111	0.248	0
3	111		111	107		107	0.267	0
4	167		167	161		161	0.315	0
5	171		171	165		165	0.389	0
6	40		40	39		39	0.466	0
7	57		57	55		55	0.559	0
8	234		234	225		225	0.638	0
Subtotal			895	863	0	863		0
Nonadvertising Pounds							0.193	166.559
Total Pound Rate Postage								166.559

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	54	54	0.373	20.142
Auto Letters	0	0	0.281	0
Auto Flats	462	462	0.325	150.15
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	298	298	0.283	84.334
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	18	18	0.226	4.068
Carrier Route				
Basic	63	30	0.163	4.89
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	895	862		263.584
Nonadv. %	86200		0.00074	63.788
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				63.788
Total Piece Rate Postage				199.796
Subtotal				366.355
Nonprofit/Classroom	366.355		0.05	18.31775
Subtotal				348.0373
Ride-Along	0		0.124	0
Total Outside-County Postage				348.0373

366.355
18.31775

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		895	895	863	0	863	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			895	863	0	863		0
Nonadvertising Pounds							0.193	166.559
Total Pound Rate Postage								166.559

1.038283

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	54	54	0.373	20.142
Auto Letters	0	0	0.281	0
Auto Flats	462	462	0.325	150.15
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	298	298	0.283	84.334
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	18	18	0.226	4.068
Carrier Route				
Basic	63	30	0.163	4.89
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	895	862		263.584
Nonadv. %	86200		0.00074	63.788
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	862		0.002	1.724
Destination Entry	862		0.015	12.93
All Other Pallets			0.005	0
Total Piece Rate Discount				78.442
Total Piece Rate Postage				185.142
Subtotal				351.701
Nonprofit/Classroom	351.701		0.05	17.58505
Subtotal				334.116
Ride-Along	0		0.124	0
Total Outside-County Postage				334.116
Additional Discount				
Zone 1 & 2	111		0.009	0.999
3	107		0.013	1.391
4	161		0.028	4.508
5	165		0.05	8.25
6	39		0.073	2.847
7	55		0.101	5.555
8	225		0.125	28.125
				51.675

0 5.987833

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
F 700		0	0	0		0	0.223	0
	263	3	266	2581		2581	0.248	0
3	103	0	103	1000		1000	0.267	0
4	152	1	153	1485		1485	0.315	0
5	192	0	192	1863		1863	0.389	0
6	71	0	71	689		689	0.466	0
7	17	0	17	165		165	0.559	0
8	88	0	88	854		854	0.638	0
Subtotal			890	8637		0 8637		0
Nonadvertising Pounds							0.193	1666.941
Total Pound Rate Postage								1666.941

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	625	625	0.373	233.125
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	265	265	0.256	67.84
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	890	890		300.965
Nonadv. %		89000	0.00074	65.86
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				65.86
Total Piece Rate Postage				235.105
Subtotal				1902.046
Nonprofit/Classroom		1902.046	0.05	95.1023
Subtotal				1806.944
Ride-Along		0	0.124	0
Total Outside-County Postage				1806.944

1902.046
95.1023

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC		890	890	8637	0	8637	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			890	8637	0	8637		0
Nonadvertising Pounds							0.193	1666.941
Total Pound Rate Postage								1666.941

1		Copies	Addressed Pcs.	Rate	Postage
Presort Discount					
Basic					
	Nonautomation	625	625	0.373	233.125
	Auto Letters	0	0	0.281	0
	Auto Flats	0	0	0.325	0
3-Digit					
	Nonautomation	0	0	0.324	0
	Auto Letters	0	0	0.249	0
	Auto Flats	0	0	0.283	0
5-Digit					
	Nonautomation	265	265	0.256	67.84
	Auto Letters	0	0	0.195	0
	Auto Flats	0	0	0.226	0
Carrier Route					
	Basic	0	0	0.163	0
	High Density	0	0	0.131	0
	Saturation	0	0	0.112	0
Subtotal		890	890		300.965
Nonadv. %			89000	0.00074	65.86
DDU Rate			0	0.018	0
DSCF Rate			0	0.008	0
DADC rate			890	0.002	1.78
Destination Entry			890	0.015	13.35
All Other Pallets				0.005	0
Total Piece Rate Discount					80.99
Total Piece Rate Postage					219.975
Subtotal					1886.916
Nonprofit/Classroom			1886.916	0.05	94.3458
Subtotal					1792.57
Ride-Along			0	0.124	0
Total Outside-County Postage					1792.57
Additional Discount					
	Zone 1 & 2		2581	0.009	23.229
	3		1000	0.013	13
	4		1485	0.028	41.58
	5		1863	0.05	93.15
	6		689	0.073	50.297
	7		165	0.101	16.665
	8		854	0.125	106.75
					344.671

0 3.990633

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	277	5	282	660		660	0.248	0
3	113	0	113	264		264	0.267	0
4	162	1	163	381		381	0.315	0
5	200	1	201	470		470	0.389	0
6	68	0	68	159		159	0.466	0
7	34	0	34	80		80	0.559	0
8	121	0	121	283		283	0.638	0
Subtotal			982	2297	0	2297		0
Nonadvertising Pounds							0.193	443.321
Total Pound Rate Postage								443.321

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	736	721	0.373	268.933
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	246	65	0.256	16.64
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	982	786		285.573
Nonadv. %		78600	0.00074	58.164
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				58.164
Total Piece Rate Postage				227.409
Subtotal				670.73
Nonprofit/Classroom		670.73	0.05	33.5365
Subtotal				637.1935
Ride-Along		0	0.124	0
Total Outside-County Postage				637.1935

670.73
33.5365

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	982		982	2297	0	2297	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			982	2297	0	2297		0
Nonadvertising Pounds							0.193	443.321
Total Pound Rate Postage								443.321

1.249364

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	736	721	0.373	268.933
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	246	65	0.256	16.64
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	982	786		285.573
Nonadv. %		78600	0.00074	58.164
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		786	0.002	1.572
Destination Entry		786	0.015	11.79
All Other Pallets			0.005	0
Total Piece Rate Discount				71.526
Total Piece Rate Postage				214.047
Subtotal				657.368
Nonprofit/Classroom		657.368	0.05	32.8684
Subtotal				624.4996
Ride-Along		0	0.124	0
Total Outside-County Postage				624.4996
Additional Discount				
Zone 1 & 2		660	0.009	5.94
3		264	0.013	3.432
4		381	0.028	10.668
5		470	0.05	23.5
6		159	0.073	11.607
7		80	0.101	8.08
8		283	0.125	35.375
				98.602

0 4.292643

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	394		394	455		455	0.248	0
3	395		395	457		457	0.267	0
4	158		158	183		183	0.315	0
5	278		278	321		321	0.389	0
6	142		142	164		164	0.466	0
7	112		112	129		129	0.559	0
8	595		595	688		688	0.638	0
Subtotal			2074	2397	0	2397		0
Nonadvertising Pounds							0.193	462.621
Total Pound Rate Postage								462.621

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	187	126	0.373	46.998
Auto Letters	0	0	0.281	0
Auto Flats	550	550	0.325	178.75
3-Digit				
Nonautomation	21	21	0.324	6.804
Auto Letters	0	0	0.249	0
Auto Flats	1023	1023	0.283	289.509
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	293	293	0.226	66.218
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2074	2013		588.279
Nonadv. %		201300	0.00074	148.962
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				148.962
Total Piece Rate Postage				439.317
Subtotal				901.938
Nonprofit/Classroom		901.938	0.05	45.0969
Subtotal				856.8411
Ride-Along		0	0.124	0
Total Outside-County Postage				856.8411

901.938
45.0969

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	2074		2074	2397	0	2397	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2074	2397	0	2397		0
Nonadvertising Pounds							0.193	462.621
Total Pound Rate Postage								462.621

1.030303

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	187	126	0.373	46.998
Auto Letters	0	0	0.281	0
Auto Flats	550	550	0.325	178.75
3-Digit				
Nonautomation	21	21	0.324	6.804
Auto Letters	0	0	0.249	0
Auto Flats	1023	1023	0.283	289.509
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	293	293	0.226	66.218
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2074	2013		588.279
Nonadv. %		201300	0.00074	148.962
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2013	0.002	4.026
Destination Entry		2013	0.015	30.195
All Other Pallets			0.005	0
Total Piece Rate Discount				183.183
Total Piece Rate Postage				405.096
Subtotal				867.717
Nonprofit/Classroom		867.717	0.05	43.38585
Subtotal				824.3312
Ride-Along		0	0.124	0
Total Outside-County Postage				824.3312
Additional Discount				
Zone 1 & 2		455	0.009	4.095
3		457	0.013	5.941
4		183	0.028	5.124
5		321	0.05	16.05
6		164	0.073	11.972
7		129	0.101	13.029
8		688	0.125	86
				142.211

0 5.932874

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	155		155	486		486	0.248	0
3	50		50	157		157	0.267	0
4	58		58	182		182	0.315	0
5	99		99	311		311	0.389	0
6	31		31	97		97	0.466	0
7	26		26	82		82	0.559	0
8	77		77	242		242	0.638	0
Subtotal			496	1557		1557		0
Nonadvertising Pounds							0.193	300.501
Total Pound Rate Postage								300.501

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	377	377	0.373	140.621
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	119	35	0.163	5.705
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	496	412		146.326
Nonadv. %	41200		0.00074	30.488
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	0		0.002	0
Destination Entry	0		0.015	0
All Other Pallets	18		0.005	0.09
Total Piece Rate Discount				30.578
Total Piece Rate Postage				115.748
Subtotal				416.249
Nonprofit/Classroom	416.249		0.05	20.81245
Subtotal				395.4366
Ride-Along	0		0.124	0
Total Outside-County Postage				395.4366

416.249
20.81245

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	496		496	1557	0	1557	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			496	1557	0	1557		0
Nonadvertising Pounds							0.193	300.501
Total Pound Rate Postage								300.501

1.203883

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	377	377	0.373	140.621
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	119	35	0.163	5.705
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	496	412		146.326
Nonadv. %		41200	0.00074	30.488
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		412	0.002	0.824
Destination Entry		412	0.015	6.18
All Other Pallets			0.005	0
Total Piece Rate Discount				37.492
Total Piece Rate Postage				108.834
Subtotal				409.335
Nonprofit/Classroom		409.335	0.05	20.46675
Subtotal				388.8683
Ride-Along		0	0.124	0
Total Outside-County Postage				388.8683
Additional Discount				
Zone 1 & 2		486	0.009	4.374
3		157	0.013	2.041
4		182	0.028	5.096
5		311	0.05	15.55
6		97	0.073	7.081
7		82	0.101	8.282
8		242	0.125	30.25
				72.674

0 4.667566

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	69		69	216		216	0.248	0
3	50		50	157		157	0.267	0
4	58		58	182		182	0.315	0
5	99		99	311		311	0.389	0
6	31		31	97		97	0.466	0
7	26		26	82		82	0.559	0
8	77		77	242		242	0.638	0
Subtotal			410	1287	0	1287		0
Nonadvertising Pounds							0.193	248.391
Total Pound Rate Postage								248.391

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	377	377	0.373	140.621
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	33	17	0.163	2.771
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	410	394		143.392
Nonadv. %		39400	0.00074	29.156
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				29.156
Total Piece Rate Postage				114.236
Subtotal				362.627
Nonprofit/Classroom		362.627	0.05	18.13135
Subtotal				344.4957
Ride-Along		0	0.124	0
Total Outside-County Postage				344.4957

362.627
18.13135

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	410		410	1287	0	1287	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			410	1287	0	1287		0
Nonadvertising Pounds							0.193	248.391
Total Pound Rate Postage								248.391

1.040609

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	377	377	0.373	140.621
Auto Letters	0	0	0.281	0
Auto Flats	0	0	0.325	0
3-Digit				
Nonautomation	0	0	0.324	0
Auto Letters	0	0	0.249	0
Auto Flats	0	0	0.283	0
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	0	0	0.226	0
Carrier Route				
Basic	33	17	0.163	2.771
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	410	394		143.392
Nonadv. %		39400	0.00074	29.156
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		394	0.002	0.788
Destination Entry		394	0.015	5.91
All Other Pallets			0.005	0
Total Piece Rate Discount				35.854
Total Piece Rate Postage				107.538
Subtotal				355.929
Nonprofit/Classroom		355.929	0.05	17.79645
Subtotal				338.1326
Ride-Along		0	0.124	0
Total Outside-County Postage				338.1326
Additional Discount				
Zone 1 & 2		216	0.009	1.944
3		157	0.013	2.041
4		182	0.028	5.096
5		311	0.05	15.55
6		97	0.073	7.081
7		82	0.101	8.282
8		242	0.125	30.25
				70.244

0 5.457964

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	481		481	464		464	0.248	0
3	370		370	357		357	0.267	0
4	187		187	181		181	0.315	0
5	323		323	312		312	0.389	0
6	149		149	144		144	0.466	0
7	110		110	106		106	0.559	0
8	706		706	682		682	0.638	0
Subtotal			2326	2246	0	2246		0
Nonadvertising Pounds							0.193	433.478
Total Pound Rate Postage								433.478

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	193	139	0.373	51.847
Auto Letters	0	0	0.281	0
Auto Flats	577	577	0.325	187.525
3-Digit				
Nonautomation	47	37	0.324	11.988
Auto Letters	0	0	0.249	0
Auto Flats	974	974	0.283	275.642
5-Digit				
Nonautomation	5	5	0.256	1.28
Auto Letters	0	0	0.195	0
Auto Flats	530	530	0.226	119.78
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2326	2262		648.062
Nonadv. %		226200	0.00074	167.388
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				167.388
Total Piece Rate Postage				480.674
Subtotal				914.152
Nonprofit/Classroom		914.152	0.05	45.7076
Subtotal				868.4444
Ride-Along		0	0.124	0
Total Outside-County Postage				868.4444

914.152
45.7076

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	2326		2326	2246	0	2246	0.223	0
1&2	0		0	0	0	0	0.248	0
3	0		0	0	0	0	0.267	0
4	0		0	0	0	0	0.315	0
5	0		0	0	0	0	0.389	0
6	0		0	0	0	0	0.466	0
7	0		0	0	0	0	0.559	0
8	0		0	0	0	0	0.638	0
Subtotal			2326	2246	0	2246		0
Nonadvertising Pounds							0.193	433.478
Total Pound Rate Postage								433.478

1.028294								
Presort Discount			Copies	Addressed Pcs.		Rate	Postage	
Basic								
Nonautomation			193	139		0.373	51.847	
Auto Letters			0	0		0.281	0	
Auto Flats			577	577		0.325	187.525	
3-Digit								
Nonautomation			47	37		0.324	11.988	
Auto Letters			0	0		0.249	0	
Auto Flats			974	974		0.283	275.642	
5-Digit								
Nonautomation			5	5		0.256	1.28	
Auto Letters			0	0		0.195	0	
Auto Flats			530	530		0.226	119.78	
Carrier Route								
Basic						0.163	0	
High Density			0	0		0.131	0	
Saturation			0	0		0.112	0	
Subtotal			2326	2262			648.062	
Nonadv. %				226200		0.00074	167.388	
DDU Rate				0		0.018	0	
DSCF Rate				0		0.008	0	
DADC rate				2262		0.002	4.524	
Destination Entry				2262		0.015	33.93	
All Other Pallets						0.005	0	
Total Piece Rate Discount							205.842	
Total Piece Rate Postage							442.22	
Subtotal							875.698	
Nonprofit/Classroom				875.698		0.05	43.7849	
Subtotal							831.9131	
Ride-Along				0		0.124	0	
Total Outside-County Postage							831.9131	
Additional Discount								
Zone 1 & 2				464		0.009	4.176	
3				357		0.013	4.641	
4				181		0.028	5.068	
5				312		0.05	15.6	
6				144		0.073	10.512	
7				106		0.101	10.706	
8				682		0.125	85.25	
							135.953	

0 6.053117

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	311		311	317		317	0.248	0
3	245		245	250		250	0.267	0
4	161		161	164		164	0.315	0
5	217		217	221		221	0.389	0
6	157		157	160		160	0.466	0
7	183		183	187		187	0.559	0
8	933		933	952		952	0.638	0
Subtotal			2207	2251	0	2251		0
Nonadvertising Pounds							0.193	434.443
Total Pound Rate Postage								434.443

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	142	89	0.373	33.197
Auto Letters	0	0	0.281	0
Auto Flats	520	520	0.325	169
3-Digit				
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	810	810	0.283	229.23
5-Digit				
Nonautomation	1	1	0.256	0.256
Auto Letters	0	0	0.195	0
Auto Flats	706	706	0.226	159.556
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2207	2154		600.311
Nonadv. %		215400	0.00074	159.396
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				159.396
Total Piece Rate Postage				440.915
Subtotal				875.358
Nonprofit/Classroom		875.358	0.05	43.7679
Subtotal				831.5901
Ride-Along		0	0.124	0
Total Outside-County Postage				831.5901

875.358
43.7679

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	2207		2207	2251	0	2251	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2207	2251	0	2251		0
Nonadvertising Pounds							0.193	434.443
Total Pound Rate Postage								434.443

1.024605

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	142	89	0.373	33.197
Auto Letters	0	0	0.281	0
Auto Flats	520	520	0.325	169
3-Digit				
Nonautomation	28	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	810	810	0.283	229.23
5-Digit				
Nonautomation	1	1	0.256	0.256
Auto Letters	0	0	0.195	0
Auto Flats	706	706	0.226	159.556
Carrier Route				
Basic			0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2207	2154		600.311
Nonadv. %	215400		0.00074	159.396
DDU Rate	0		0.018	0
DSCF Rate	0		0.008	0
DADC rate	2154		0.002	4.308
Destination Entry	2154		0.015	32.31
All Other Pallets			0.005	0
Total Piece Rate Discount				196.014
Total Piece Rate Postage				404.297
Subtotal				838.74
Nonprofit/Classroom	838.74		0.05	41.937
Subtotal				796.803
Ride-Along	0		0.124	0
Total Outside-County Postage				796.803
Additional Discount				
Zone 1 & 2	317		0.009	2.853
3	250		0.013	3.25
4	164		0.028	4.592
5	221		0.05	11.05
6	160		0.073	11.68
7	187		0.101	18.887
8	952		0.125	119
				171.312

0 7.610484

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	508	58	566	387		387	0.248	0
3	184	32	216	148		148	0.267	0
4	239	14	253	173		173	0.315	0
5	458	29	487	333		333	0.389	0
6	202	16	218	149		149	0.466	0
7	62	5	67	46		46	0.559	0
8	321	25	346	236		236	0.638	0
Subtotal			2153	1472		1472		0
Nonadvertising Pounds							0.193	284.096
Total Pound Rate Postage								284.096

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	295	150	0.373	55.95
Auto Letters	0	0	0.281	0
Auto Flats	757	757	0.325	246.025
3-Digit				
Nonautomation	127	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	792	792	0.283	224.136
5-Digit				
Nonautomation	9	1	0.256	0.256
Auto Letters	0	0	0.195	0
Auto Flats	173	173	0.226	39.098
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2153	1901		574.537
Nonadv. %		190100	0.00074	140.674
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				140.674
Total Piece Rate Postage				433.863
Subtotal				717.959
Nonprofit/Classroom			0.05	0
Subtotal				717.959
Ride-Along		0	0.124	0
Total Outside-County Postage				717.959

717.959
35.89795

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	2153		2153	1472	0	1472	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2153	1472	0	1472		0
Nonadvertising Pounds							0.193	284.096
Total Pound Rate Postage								284.096

1.132562

Presort Discount	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	295	150	0.373	55.95
Auto Letters	0	0	0.281	0
Auto Flats	757	757	0.325	246.025
3-Digit				
Nonautomation	127	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	792	792	0.283	224.136
5-Digit				
Nonautomation	9	1	0.256	0.256
Auto Letters	0	0	0.195	0
Auto Flats	173	173	0.226	39.098
Carrier Route				
Basic			0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2153	1901		574.537
Nonadv. %		190100	0.00074	140.674
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		1901	0.002	3.802
Destination Entry		1901	0.015	28.515
All Other Pallets			0.005	0
Total Piece Rate Discount				172.991
Total Piece Rate Postage				401.546
Subtotal				685.642
Nonprofit/Classroom			0.05	0
Subtotal				685.642
Ride-Along		0	0.124	0
Total Outside-County Postage				685.642
Additional Discount				
Zone 1 & 2		387	0.009	3.483
3		148	0.013	1.924
4		173	0.028	4.844
5		333	0.05	16.65
6		149	0.073	10.877
7		46	0.101	4.646
8		236	0.125	29.5
				71.924

0 4.886141

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	531		531	390		390	0.248	0
3	570		570	419		419	0.267	0
4	336		336	247		247	0.315	0
5	561		561	412		412	0.389	0
6	459		459	337		337	0.466	0
7	591		591	434		434	0.559	0
8	3532		3532	2594		2594	0.638	0
Subtotal			6580	4833	0	4833		0
Nonadvertising Pounds							0.193	932.769
Total Pound Rate Postage								932.769

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	155	86	0.373	32.078
Auto Letters	0	0	0.281	0
Auto Flats	549	549	0.325	178.425
3-Digit				
Nonautomation	115	56	0.324	18.144
Auto Letters	0	0	0.249	0
Auto Flats	1900	1900	0.283	537.7
5-Digit				
Nonautomation	97	42	0.256	10.752
Auto Letters	0	0	0.195	0
Auto Flats	3764	3764	0.226	850.664
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	6580	6397		1627.763
Nonadv. %		639700	0.00074	473.378
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				473.378
Total Piece Rate Postage				1154.385
Subtotal				2087.154
Nonprofit/Classroom		2087.154	0.05	104.3577
Subtotal				1982.796
Ride-Along		0	0.124	0
Total Outside-County Postage				1982.796

2087.154
104.3577

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	6580		6580	4833	0	4833	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			6580	4833	0	4833		0
Nonadvertising Pounds							0.193	932.769
Total Pound Rate Postage								932.769

1.028607								
Presort Discount			Copies	Addressed Pcs.		Rate	Postage	
Basic								
	Nonautomation		155	86		0.373	32.078	
	Auto Letters		0	0		0.281	0	
	Auto Flats		549	549		0.325	178.425	
3-Digit								
	Nonautomation		115	56		0.324	18.144	
	Auto Letters		0	0		0.249	0	
	Auto Flats		1900	1900		0.283	537.7	
5-Digit								
	Nonautomation		97	42		0.256	10.752	
	Auto Letters		0	0		0.195	0	
	Auto Flats		3764	3764		0.226	850.664	
Carrier Route								
	Basic					0.163	0	
	High Density		0	0		0.131	0	
	Saturation		0	0		0.112	0	
Subtotal			6580	6397			1627.763	
Nonadv. %				639700		0.00074	473.378	
DDU Rate				0		0.018	0	
DSCF Rate				0		0.008	0	
DADC rate				6397		0.002	12.794	
Destination Entry				6397		0.015	95.955	
All Other Pallets						0.005	0	
Total Piece Rate Discount							582.127	
Total Piece Rate Postage							1045.636	
Subtotal							1978.405	
Nonprofit/Classroom				1978.405		0.05	98.92025	
Subtotal							1879.485	
Ride-Along				0		0.124	0	
Total Outside-County Postage							1879.485	
Additional Discount								
	Zone 1 & 2			390		0.009	3.51	
	3			419		0.013	5.447	
	4			247		0.028	6.916	
	5			412		0.05	20.6	
	6			337		0.073	24.601	
	7			434		0.101	43.834	
	8			2594		0.125	324.25	
							429.158	

0 8.879743

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0		0	0.158	0
DSCF	0		0	0		0	0.203	0
DADC	0		0	0		0	0.223	0
	507		507	324		324	0.248	0
3	323		323	206		206	0.267	0
4	161		161	103		103	0.315	0
5	330		330	211		211	0.389	0
6	161		161	103		103	0.466	0
7	83		83	53		53	0.559	0
8	821		821	525		525	0.638	0
Subtotal			2386	1525	0	1525		0
Nonadvertising Pounds							0.193	294.325
Total Pound Rate Postage								294.325

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	188	114	0.373	42.522
Auto Letters	0	0	0.281	0
Auto Flats	501	501	0.325	162.825
3-Digit				
Nonautomation	40	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1104	1104	0.283	312.432
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	553	553	0.226	124.978
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2386	2300		651.829
Nonadv. %		230000	0.00074	170.2
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				170.2
Total Piece Rate Postage				481.629
Subtotal				775.954
Nonprofit/Classroom		775.954	0.05	38.7977
Subtotal				737.1563
Ride-Along		0	0.124	0
Total Outside-County Postage				737.1563

775.954
38.7977

Oustide-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU	0		0	0	0	0	0.158	0
DSCF	0		0	0	0	0	0.203	0
DADC	2386		2386	1525	0	1525	0.223	0
1&2	0		0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			2386	1525	0	1525		0
Nonadvertising Pounds							0.193	294.325
Total Pound Rate Postage								294.325

1.037391

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	188	114	0.373	42.522
Auto Letters	0	0	0.281	0
Auto Flats	501	501	0.325	162.825
3-Digit				
Nonautomation	40	28	0.324	9.072
Auto Letters	0	0	0.249	0
Auto Flats	1104	1104	0.283	312.432
5-Digit				
Nonautomation	0	0	0.256	0
Auto Letters	0	0	0.195	0
Auto Flats	553	553	0.226	124.978
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	2386	2300		651.829
Nonadv. %		230000	0.00074	170.2
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		2300	0.002	4.6
Destination Entry		2300	0.015	34.5
All Other Pallets			0.005	0
Total Piece Rate Discount				209.3
Total Piece Rate Postage				442.529
Subtotal				736.854
Nonprofit/Classroom		736.854	0.05	36.8427
Subtotal				700.0113
Ride-Along		0	0.124	0
Total Outside-County Postage				700.0113
Additional Discount				
Zone 1 & 2		324	0.009	2.916
3		206	0.013	2.678
4		103	0.028	2.884
5		211	0.05	10.55
6		103	0.073	7.519
7		53	0.101	5.353
8		525	0.125	65.625
				97.525

0 6.395082

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0		0	0.158	0
DSCF		0	0	0		0	0.203	0
DADC		0	0	0		0	0.223	0
	1533		1533	1255		1255	0.248	0
3	828		828	678		678	0.267	0
4	1687		1687	1381		1381	0.315	0
5	473		473	387		387	0.389	0
6	210		210	172		172	0.466	0
7	110		110	90		90	0.559	0
8	1332		1332	1090		1090	0.638	0
Subtotal			6173	5053	0	5053		0
Nonadvertising Pounds							0.193	975.229
Total Pound Rate Postage								975.229

Presort Discout	Copies	Addressed Pcs.	Rate	Postage
Basic				
Nonautomation	443	329	0.373	122.717
Auto Letters	0	0	0.281	0
Auto Flats	973	973	0.325	316.225
3-Digit				
Nonautomation	213	178	0.324	57.672
Auto Letters	0	0	0.249	0
Auto Flats	1486	1486	0.283	420.538
5-Digit				
Nonautomation	722	417	0.256	106.752
Auto Letters	0	0	0.195	0
Auto Flats	2336	2336	0.226	527.936
Carrier Route				
Basic	0	0	0.163	0
High Density	0	0	0.131	0
Saturation	0	0	0.112	0
Subtotal	6173	5719		1551.84
Nonadv. %		571900	0.00074	423.206
DDU Rate		0	0.018	0
DSCF Rate		0	0.008	0
DADC rate		0	0.002	0
Destination Entry		0	0.015	0
All Other Pallets			0.005	0
Total Piece Rate Discount				423.206
Total Piece Rate Postage				1128.634
Subtotal				2103.863
Nonprofit/Classroom		2103.863	0.05	105.1932
Subtotal				1998.67
Ride-Along		0	0.124	0
Total Outside-County Postage				1998.67

2103.863
105.1932

Outside-County

Zone	Sub cps	Non cps	Total cps	Total lbs	Ad lbs	Ed lbs	Rate	Postage
DDU		0	0	0	0	0	0.158	0
DSCF		0	0	0	0	0	0.203	0
DADC	6173		6173	5053	0	5053	0.223	0
1&2		0	0	0	0	0	0.248	0
	3	0	0	0	0	0	0.267	0
	4	0	0	0	0	0	0.315	0
	5	0	0	0	0	0	0.389	0
	6	0	0	0	0	0	0.466	0
	7	0	0	0	0	0	0.559	0
	8	0	0	0	0	0	0.638	0
Subtotal			6173	5053	0	5053		0
Nonadvertising Pounds							0.193	975.229
Total Pound Rate Postage								975.229

1.079385								
Presort Discount			Copies	Addressed Pcs.		Rate	Postage	
Basic								
Nonautomation			443	329		0.373	122.717	
Auto Letters			0	0		0.281	0	
Auto Flats			973	973		0.325	316.225	
3-Digit								
Nonautomation			213	178		0.324	57.672	
Auto Letters			0	0		0.249	0	
Auto Flats			1486	1486		0.283	420.538	
5-Digit								
Nonautomation			722	417		0.256	106.752	
Auto Letters			0	0		0.195	0	
Auto Flats			2336	2336		0.226	527.936	
Carrier Route								
Basic			0	0		0.163	0	
High Density			0	0		0.131	0	
Saturation			0	0		0.112	0	
Subtotal			6173	5719			1551.84	
Nonadv. %				571900		0.00074	423.206	
DDU Rate				0		0.018	0	
DSCF Rate				0		0.008	0	
DADC rate				5719		0.002	11.438	
Destination Entry				5719		0.015	85.785	
All Other Pallets						0.005	0	
Total Piece Rate Discount							520.429	
Total Piece Rate Postage							1031.411	
Subtotal							2006.64	
Nonprofit/Classroom				2006.64		0.05	100.332	
Subtotal							1906.308	
Ride-Along				0		0.124	0	
Total Outside-County Postage							1906.308	
Additional Discount								
Zone 1 & 2				1255		0.009	11.295	
3				678		0.013	8.814	
4				1381		0.028	38.668	
5				387		0.05	19.35	
6				172		0.073	12.556	
7				90		0.101	9.09	
8				1090		0.125	136.25	
							236.023	

0 4.670948

	Pounds	Copies	Pieces	Sacks	Pieces in Sacks	Before	Afer Copal - No	Savings
1 Pub 1	11,760	9,195	8,871	290	7,517	\$ 4,209.98	\$ 3,812.75	\$ 397.23
2 Pub 2	1,245	1,416	1,259	41	1,259	\$ 514.20	\$ 490.57	\$ 23.63
3 Pub 3	1,789	1,775	1,642	49	1,642	\$ 837.88	\$ 799.50	\$ 38.38
4 Pub 4	9,845	4,824	4,524	310	4,524	\$ 3,151.40	\$ 2,893.15	\$ 258.24
5 Pub 5	29,586	19,619	18,212	219	4,476	\$ 8,473.71	\$ 8,244.83	\$ 228.88
6 Pub 6	3,357	5,257	5,181	129	5,181	\$ 1,912.80	\$ 1,727.83	\$ 184.97
7 Pub 7	16,630	24,506	22,957	420	13,757	\$ 7,886.14	\$ 7,175.75	\$ 710.39
8 Pub 8	2,317	2,748	2,672	74	2,672	\$ 968.31	\$ 925.15	\$ 43.15
9 Pub 9	2,056	2,748	2,671	71	2,671	\$ 920.17	\$ 877.03	\$ 43.14
10 Pub 10	2,690	2,748	2,672	80	2,672	\$ 1,036.70	\$ 993.54	\$ 43.15
11 Pub 11	9,440	5,133	4,769	278	4,769	\$ 3,204.99	\$ 2,951.89	\$ 253.10
12 Pub 12	2,513	2,757	2,682	78	2,682	\$ 1,006.82	\$ 963.50	\$ 43.31
13 Pub 13	6,840	3,843	3,683	205	3,683	\$ 2,143.40	\$ 1,944.12	\$ 199.29
14 Pub 14	20,185	10,378	9,041	275	4,513	\$ 6,255.38	\$ 5,775.87	\$ 479.50
15 Pub 15	4,045	5,031	4,561	133	4,561	\$ 1,654.37	\$ 1,580.71	\$ 73.66
16 Pub 16	10,138	4,800	4,498	289	4,498	\$ 3,294.89	\$ 3,028.16	\$ 266.73
17 Pub 17	12,807	5,777	5,162	266	3,097	\$ 3,373.97	\$ 3,300.41	\$ 73.56
18 Pub 18	1,927	1,375	1,375	70	1,375	\$ 704.50	\$ 682.33	\$ 22.18
19 Pub 19	3,464	850	850	108	850	\$ 839.28	\$ 825.56	\$ 13.72
20 Pub 20	4,063	1,852	1,523	90	1,364	\$ 1,035.12	\$ 1,011.28	\$ 23.84
21 Pub 21	3,120	1,422	1,364	90	1,364	\$ 840.95	\$ 818.92	\$ 22.03
22 Pub 22	9,733	7,610	7,517	290	7,517	\$ 3,580.78	\$ 3,218.77	\$ 362.02
23 Pub 24	4,615	1,890	1,881	143	1,881	\$ 1,213.89	\$ 1,183.51	\$ 30.38
24 Pub 25	8,125	1,751	1,751	155	1,077	\$ 1,820.11	\$ 1,795.03	\$ 25.08
25 Pub 26	2,638	3,317	3,292	106	3,292	\$ 1,171.24	\$ 1,118.08	\$ 53.17
26 Pub 28	8,826	9,501	9,368	321	9,368	\$ 3,452.28	\$ 3,300.99	\$ 151.29
27 Pub 29	863	895	862	25	862	\$ 348.04	\$ 334.12	\$ 13.92
28 Pub 30	8,637	890	890	224	890	\$ 1,806.94	\$ 1,792.57	\$ 14.37
29 Pub 31	2,297	982	786	54	786	\$ 637.19	\$ 624.50	\$ 12.69
30 Pub 32	2,397	2,074	2,013	68	2,013	\$ 856.84	\$ 824.33	\$ 32.51
31 Pub 34	1,287	410	394	30	394	\$ 344.50	\$ 338.13	\$ 6.36
32 Pub 35	2,246	2,326	2,262	68	2,262	\$ 868.44	\$ 831.91	\$ 36.53
33 Pub 36	2,251	2,207	2,154	66	2,154	\$ 831.59	\$ 796.80	\$ 34.79
34 Pub 37	1,472	2,153	1,901	52	1,901	\$ 717.96	\$ 685.64	\$ 32.32
35 Pub 38	4,833	6,580	6,397	166	6,397	\$ 1,982.80	\$ 1,879.48	\$ 103.31
36 Pub 39	1,525	2,386	2,300	56	2,300	\$ 737.16	\$ 700.01	\$ 37.15
37 Pub 40	5,053	6,173	5,719	176	5,719	\$ 1,998.67	\$ 1,906.31	\$ 92.36
Total	226,615	169,199	159,656	5,565	127,940	\$ 76,633.37	\$ 72,153.03	\$ 4,480.35

		Discount	Total Postage	Total Savings	\$/cwt	Ad. Percent	Copy Wt.	Ounces	Pcs. Already on Pallets
\$	3.38	\$ 400.03	\$ 3,412.72	\$ 797.26	\$ 6.78	14.0%	1.2790	20.46	1,354
\$	1.90	\$ 55.88	\$ 434.69	\$ 79.51	\$ 6.39	1.0%	0.8792	14.07	
\$	2.15	\$ 76.76	\$ 722.74	\$ 115.14	\$ 6.44	4.0%	1.0079	16.13	
\$	2.62	\$ 455.72	\$ 2,437.43	\$ 713.97	\$ 7.25	10.9%	2.0408	32.65	-
\$	0.77	\$ 382.52	\$ 7,862.31	\$ 611.40	\$ 2.07	0.0%	1.5080	24.13	13,736
\$	5.51	\$ 166.30	\$ 1,561.54	\$ 351.26	\$ 10.46	15.0%	0.6386	10.22	-
\$	4.27	\$ 414.06	\$ 6,761.69	\$ 1,124.45	\$ 6.76	14.0%	0.6786	10.86	9,200
\$	1.86	\$ 135.63	\$ 789.52	\$ 178.78	\$ 7.72	0.0%	0.8432	13.49	-
\$	2.10	\$ 120.36	\$ 756.67	\$ 163.49	\$ 7.95	5.9%	0.7482	11.97	
\$	1.60	\$ 157.47	\$ 836.07	\$ 200.62	\$ 7.46	0.0%	0.9789	15.66	
\$	2.68	\$ 433.78	\$ 2,518.11	\$ 686.88	\$ 7.28	10.9%	1.8391	29.43	-
\$	1.72	\$ 146.98	\$ 816.53	\$ 190.29	\$ 7.57	5.9%	0.9115	14.58	-
\$	2.91	\$ 371.89	\$ 1,572.22	\$ 571.18	\$ 8.35	10.2%	1.7799	28.48	-
\$	2.38	\$ 438.29	\$ 5,337.59	\$ 917.79	\$ 4.55	10.9%	1.9450	31.12	4,528
\$	1.82	\$ 202.20	\$ 1,378.51	\$ 275.86	\$ 6.82	8.3%	0.8040	12.86	-
\$	2.63	\$ 477.76	\$ 2,550.40	\$ 744.49	\$ 7.34	10.9%	2.1121	33.79	-
\$	0.57	\$ 360.63	\$ 2,939.78	\$ 434.19	\$ 3.39	0.0%	2.2169	35.47	2,065
\$	1.15	\$ 108.99	\$ 573.34	\$ 131.17	\$ 6.81	0.7%	1.4015	22.42	-
\$	0.40	\$ 201.76	\$ 623.79	\$ 215.48	\$ 6.22	0.9%	4.0753	65.20	-
\$	0.59	\$ 151.09	\$ 860.19	\$ 174.93	\$ 4.31	0.0%	2.1938	35.10	159
\$	0.71	\$ 158.22	\$ 660.71	\$ 180.24	\$ 5.78	0.0%	2.1941	35.11	-
\$	3.72	\$ 447.17	\$ 2,771.60	\$ 809.19	\$ 8.31	14.0%	1.2790	20.46	-
\$	0.66	\$ 224.97	\$ 958.54	\$ 255.35	\$ 5.53	0.0%	2.4418	39.07	-
\$	0.31	\$ 183.03	\$ 1,612.00	\$ 208.11	\$ 2.56	1.0%	4.6402	74.24	674
\$	2.02	\$ 131.60	\$ 986.47	\$ 184.77	\$ 7.00	0.0%	0.7953	12.72	-
\$	1.71	\$ 450.20	\$ 2,850.79	\$ 601.49	\$ 6.82	0.0%	0.9290	14.86	-
\$	1.61	\$ 51.68	\$ 282.44	\$ 65.60	\$ 7.60	0.0%	0.9642	15.43	-
\$	0.17	\$ 344.67	\$ 1,447.90	\$ 359.04	\$ 4.16	1.0%	9.7045	155.27	-
\$	0.55	\$ 98.60	\$ 525.90	\$ 111.30	\$ 4.85	1.0%	2.3391	37.43	-
\$	1.36	\$ 142.21	\$ 682.12	\$ 174.72	\$ 7.29	0.0%	1.1557	18.49	-
\$	0.49	\$ 70.24	\$ 267.89	\$ 76.61	\$ 5.95	0.0%	3.1390	50.22	-
\$	1.63	\$ 135.95	\$ 695.96	\$ 172.48	\$ 7.68	0.0%	0.9656	15.45	-
\$	1.55	\$ 171.31	\$ 625.49	\$ 206.10	\$ 9.16	0.0%	1.0199	16.32	-
\$	2.20	\$ 71.92	\$ 613.72	\$ 104.24	\$ 7.08	0.0%	0.6837	10.94	-
\$	2.14	\$ 429.16	\$ 1,450.33	\$ 532.47	\$ 11.02	0.4%	0.7345	11.75	-
\$	2.44	\$ 97.53	\$ 602.49	\$ 134.67	\$ 8.83	0.3%	0.6391	10.23	-
\$	1.83	\$ 236.02	\$ 1,670.29	\$ 328.38	\$ 6.50	0.0%	0.8186	13.10	-
\$	1.98	\$8,702.56		\$ 13,182.91	\$ 5.82				

y

Percent

15%	\$	5.74
0%		
0%		
0%	\$	7.25
75%	\$	0.51
0%		
40%		

0%	\$	7.28
0%		
0%	\$	8.35
50%	\$	2.27
0%		
0%	\$	7.34
40%	\$	2.03
0%	\$	6.81
0%	\$	6.22
10%	\$	3.86
0%	\$	5.78
0%	\$	8.31
0%	\$	5.53
38%	\$	1.58
0%	\$	7.00
0%	\$	6.82
0%	\$	7.60
0%	\$	4.16
0%	\$	4.85
0%	\$	7.29
0%	\$	5.95
0%	\$	7.68
0%	\$	9.16
0%	\$	7.08
0%	\$	11.02
0%	\$	8.83
0%	\$	6.50

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-45. You state in response to ABM/USPS-T1-5 that the transportation costs alone for participating in a copalletization program amount to \$5 to \$6 per 100 pounds. (a) Please confirm that for a publication that weighs 9 ounces, this amounts to a cost ranging from 2.6 to 3.4 cents per piece. (b) Please provide all evidence of which you are aware that the non-transportation charges by printers to mailers for participation in a co-palletization program are such that a mailer will at least break even if it pays 2.6 cents to 3.4 cents per piece for transportation costs associated with a co-palletization program.

RESPONSE:

- (a) Not confirmed. I get a range of 2.8 to 3.4 cents given the weight of the piece and average cost.
- (b) The evidence that the proposed discounts are sufficient to generate the behavioral changes the Postal Service seeks in this docket consists of oral confirmations from Cadmus to this effect, plus my own qualitative conclusions based on other discussions with industry representatives. See my responses to interrogatory ABM/USPS-T1-41 and 44.

Also, this question has a narrow focus that assumes the only relevant factor in the worksharing decision is that the cost of performing the worksharing must be substantially less than the discounts themselves. The Postal Service has not studied mailer or publisher costs at length, as that is not the pertinent measure. Rather, our focus is on whether the proposed discounts will in fact attract volume, thereby producing the behavior changes the experiment is designed to elicit. Our understanding is that a decision to participate is not in fact based on a simple comparison of transportation costs to the discounts, as many other variables also come into play. Some of those factors are mentioned in Cadmus' letter to Commissioner Covington (PRC-LR-PO-1).

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ABM/USPS-T1-46. With reference to your response to ABM/USPS-T1-6(b), please confirm that, since the Postal Service does not know how many pieces that qualify for the co-palletization discount were co-palletized before that discount was offered, it does not know how many pieces are co-palletized as a result of the discount.

RESPONSE:

Partially confirmed. Determining whether co-palletization was the result of the experimental discount is difficult. Mailing decisions are based on a variety of factors, only one of which is the comparison of discounts to mailer costs. For co-palletization programs that existed before the discounts, one cannot know how much co-palletization volume was caused by the discounts, although the growth of such programs after the implementation of discounts might at least in part be caused by the discounts. One even could argue that all of that volume resulted from the discounts, if the co-palletization program was established in anticipation of the discounts. Co-palletization programs that began after the implementation of the discounts are more likely to be seen as the result of the discounts.

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OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-47. With reference to your response to ABM/USPS-T1-6(c), please explain the significant reduction in average weight per pallet.

RESPONSE:

In investigating this interrogatory, we received some corrected data on the co-palletized pallets. Based on these updated data, the average pallet weights for October, 2003 through February, 2004 are shown in the following table. The resulting average weights per pallet are substantially higher. It is my understanding that any remaining average pallet weight reduction from the previous data reporting period could be related to requests by certain publications for more frequent pools to improve service.

Time Period	New Pallet	
	No.	Avg. Weight
October, 2003	728	502
November, 2003	957	499
December, 2003	1,153	579
January, 2004	1,785	558
February, 2004	1,718	571

A corrected response to ABM/USPS-T1-6 will be provided later.

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OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-49. In response to ABM/USPS-T1-10, you state that you are not aware of “many” publications that would satisfy the ad percentage and weight requirements proposed but whose circulation exceeds 75,000. (a) Is it your statement that those with circulation in excess of 75,000 were excluded only because there aren’t “many” that you know of? (b) If there are other reasons, what are they?

RESPONSE:

(a) No.

(b) In my response to TW/USPS-T1-2(a & c), I discussed why the Postal Service sought to keep the experiment small and focused. Circulation was limited to keep the experiment focused on small circulation, high-editorial, heavier weight pieces, and to minimize any impact on the flat editorial pound rate. The statement that I am not aware of many publications that would satisfy the advertising percentage and weight requirements but whose circulation exceeds 75,000 simply conveys my understanding that increasing the circulation limit would not add appreciably to the pool of volume eligible for the proposed discount.

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OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-50. Please refer to your response to ABM/USPS-T1-12. Please explain why a printer would have been co-palletizing qualifying pieces but would have chosen not to participate in the experiment.

RESPONSE:

One important reason that comes to mind is the printer's inability or choice not to dropship the mail at a destination ADC or SCF. The documentation to prove eligibility might also dissuade participation.

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OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-53. (a) Is it always more "efficient" for the Postal Service, as you have used that term, for the mailer to move mail from sacks to pallets?

RESPONSE:

No. A key consideration in reaching such a determination is the trade-off between reduced sack handlings and potential additional bundle handlings if mail is moved from sacks to pallets.

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OF AMERICAN BUSINESS MEDIA

ABM/USPS-T1-54. Please refer to your response to ABM/USPS-T1-18. You state that the mail in the example “has an inefficient component to its preparation.” Has the mailer done anything inefficiently that impedes the goal of having the mail delivered on Monday?

RESPONSE:

No, the mailer has not done anything that impedes the goal of having the mail delivered on Monday. Generally speaking, handling of sacks from the perspective of the Postal Service brings about the inefficiencies. I discussed these differences in my testimony in Docket No. R2001-1 (pages 10-11):

Witness Schenk (USPS-T-43) shows that mail processing costs for mail prepared on pallets are substantially lower than costs for mail prepared in sacks. Her library reference (USPS-LR-J-100) finds cost savings based on differences in platform and allied work effort associated with loading, unloading, dumping containers, and re-supplying them to customers. Pallets enable a larger amount of mail to be handled simultaneously with reduced effort. Sacks, particularly in Periodicals where there is effectively no minimum number of pieces needed to prepare a sack (due to service reasons), require substantially more labor to handle an equivalent number of pieces.

Pallets arriving at the destination facility will typically be unloaded from the vehicle; moved to the small parcel and bundle sorter (SPBS); unwrapped; loaded into a container dumper; and dumped for the contents to be sorted. Empty pallets are stacked and moved back out to the dock to supply customers.

Sacks typically arrive at the destination facility in rolling stock or on pallets with cardboard sleeves from upstream facilities. The containers are typically unloaded from the trucks and moved to the SPBS with a tow motor or manually. Sacks are then unloaded, opened, and dumped onto the SPBS induction belt. Sack labels are then removed and the sacks are folded and prepared for customer or postal reuse

There is a significant difference in the labor time associated with removing mail from the respective containers and preparing containers for future use. The majority of SPBSs are equipped with container dumpers. Thus to remove mail from a pallet all an employee must do is cut the pallet's shrink-wrap, start the dumper, and rake bundles onto the belt.

Removing mail from sacks is much more labor intensive. The employee must first release the mechanism that holds the sack closed; stretch open the sack; hold open the sack and dump the contents; inspect the sack to ensure all contents have been removed; reach into the sack to remove any remaining

RESPONSE OF UNITED STATES POSTAL SERVICE
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bundles; remove and dispose of the sack label; and finally fold the sack for re-supply. Based on USPS-LR-J-114, Table 2, the average Periodicals pallet contains 1,729 pieces, and the average Periodicals sack contains 31 pieces. Thus, for an equivalent amount of mail, 56 sacks must be handled for each pallet dumped.

The normalized cost difference (taking into account all other differences such as dropshipment) on a per-piece basis is \$.0221. USPS-LR-J-100, Table 1. In other words, pieces on pallets on average cost 2.21 cents less than pieces in sacks.

RESPONSE OF UNITED STATES POSTAL SERVICE
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OF AMERICAN POSTAL WORKERS UNION

APWU/USPS-T1-1. Current policy requires uniform pound rates for the editorial content of periodicals. Is this proposal designed to change that rate design? If so, please explain the rationale for proposing such a change. If not, please explain why it does not reflect such a change.

RESPONSE:

This proposal is not designed to change any element of the existing rate design for Periodicals. This proposal has a limited objective of introducing additional discounts to encourage mailers to co-palletize their mail and drop their mail closer to its destination at a destination ADC or SCF.

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO INTERROGATORY
OF AMERICAN POSTAL WORKERS UNION

APWU/USPS-T1-3. Could periodicals co-palletized under this experiment qualify for any other worksharing discounts in addition to the ones proposed here? If so please indicate which discounts would be available to them.

RESPONSE:

Yes. The publications that co-palletize and dropship using the proposed discounts would be eligible for the appropriate palletization and dropship discounts available on the current rate chart except for the current per-piece co-palletization discounts. Please see USPS-T-1 at 8, line 16, to page 9, line 1.

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OCA/USPS-T1-1. The PRC version of the 2003 CRA shows a cost coverage for outside county of 97.4 percent. If the rates proposed in this docket had been in effect for all of FY 2003, would the cost coverage of outside county been different? If so, how?

Response:

As shown in pages 2 and 3 of my Exhibit A, I expect cost savings to exceed revenue leakage for this experiment. Therefore, if the discounts proposed in this docket had been in effect for all of FY 2003 the Outside County cost coverage would have been slightly higher.

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OCA/USPS-T1-2. Is it correct that daily and weekly periodicals are unlikely to be able to avail themselves of the proposed discount because there would be insufficient time both to produce the mailpieces and add extra processing steps for co-palletizing? Please explain your answer.

Response:

Based on my understanding of the process of preparing co-palletized mail, daily and weekly periodicals would be unlikely to avail themselves of the proposed discounts because there would be insufficient time both to produce the mailpieces and add extra processing steps for co-palletizing.

While unlikely, co-palletization is not impossible for weekly publications. I am aware of one instance in which a publisher is able to co-palletize weekly titles it produces. This is feasible because the publisher controls the editorial and printing schedules for all the titles that are co-palletized. In any case, I am not aware of many weekly or daily titles that meet the advertising content (15 percent or less) and copy weight (9 ounces or more) criteria required to qualify for the proposed discounts.

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OCA/USPS-T1-3. To the best of your knowledge, how many printers are currently capable of performing co-palletization?

RESPONSE

I do not know the exact number, but my understanding is that most large printers and several *mid-size printers* are able to co-palletize mail for their clients (publishers). There are currently five printers at eight locations authorized to co-palletize under the current experiment. Two applications are pending authorization.

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OCA/USPS-T1-4. To the best of your knowledge, how many (1) publishers and (2) printers are likely to take advantage of the co-palletization dropship discount proposal?

RESPONSE

I do not have the exact counts, but I expect that about 250 to 300 small circulation titles are likely to take advantage of this proposal. The number of publishers is substantially less because some publishers have multiple titles. I am aware of 3 to 4 printers that have titles that would qualify for the proposed discounts, and I expect that at least two, and probably all of them, will participate. Ultimately, however, one goal of the experimental classification is to determine the response of publishers and printers to the proposed discounts.

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OCA/USPS-T1-5. What impact do you anticipate your co-palletization dropship discount will have on the distinct number of printers and consolidators prior to and subsequent to the implementation of the USPS proposal? Please explain your response.

RESPONSE

My hope is that all printers that have eligible publications would, with the consent of their clients (publishers), either co-palletize this mail and dropship to destination ADCs and SCFs on their own, or contact a consolidator to provide similar service to take advantage of the proposed discounts.

I have no expectation that the experiment would have an impact on the number of printers and consolidators. The Postal Service is proposing an experimental classification to gauge these impacts.

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OCA/USPS-T1-6. Assume that a publisher is not currently co-palletizing his publications and his current bindery/printer is unable to co-palletize his publications. In order to take advantage of the *co-palletization dropship discount*, will the publisher need to find another printer who is able to co-palletize shipments? Please explain your response.

RESPONSE

Not necessarily. As I have explained in my response to OCA/USPS-T1-5, we do not expect that all printers would be able to provide co-palletization and dropshipment of the titles that they print. However, it is possible for a printer to use a consolidator to provide such service for the printer's titles.

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OCA/USPS-T1-7. In Exhibit A of your testimony at pages 7 - 10, you provide zone entry data for forty-nine magazines. For each magazine, please provide the following data: (1) the percentage of editorial content for each of the forty-nine magazines and (2) the total weighted average of the editorial content for all forty-nine magazines.

RESPONSE

	<i>Editorial %</i>
Magazine 1	86.0%
Magazine 2	99.0%
Magazine 3	96.0%
Magazine 4	89.1%
Magazine 5	100.0%
Magazine 6	85.0%
Magazine 7	86.1%
Magazine 8	100.0%
Magazine 9	100.0%
Magazine 10	100.0%
Magazine 11	89.1%
Magazine 12	100.0%
Magazine 13	89.8%
Magazine 14	89.1%
Magazine 15	100.0%
Magazine 16	89.1%
Magazine 17	100.0%
Magazine 18	100.0%
Magazine 19	100.0%
Magazine 20	100.0%
Magazine 21	100.0%
Magazine 22	86.0%
Magazine 23	100.0%
Magazine 24	100.0%
Magazine 25	100.0%
Magazine 26	100.0%
Magazine 27	100.0%
Magazine 28	100.0%
Magazine 29	100.0%
Magazine 30	100.0%
Magazine 31	100.0%
Magazine 32	100.0%
Magazine 33	100.0%
Magazine 34	100.0%
Magazine 35	100.0%
Magazine 36	100.0%
Magazine 37	100.0%
Magazine 38	100.0%

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OCA/USPS-

T1-7 Cont'd

Magazine 39	100.0%
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Magazine 40	100.0%
-------------	--------

Magazine 41	92.0%
-------------	-------

Magazine 42	86.2%
-------------	-------

Magazine 43	100.0%
-------------	--------

Magazine 44	85.0%
-------------	-------

Magazine 45	84.4%
-------------	-------

Magazine 46	100.0%
-------------	--------

Magazine 47	100.0%
-------------	--------

Magazine 48	84.3%
-------------	-------

Magazine 49	86.0%
-------------	-------

Weighted

Avg.	94.6%
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TW/USPS-T1-1 Your testimony proposes a two-year experimental classification for certain Periodicals.

- a. At the end of the two-year period, what criteria will be applied to determine whether the experiment was a success?
- b. At the end of the two-year period, what criteria will be applied to determine whether the experiment was a failure?
- c. What subsequent steps, such as modification to the criteria for qualification, passthrough of savings, etc. will the Postal Service propose at the end of the two-year period if the experiment is deemed to be (1) a success or (2) a failure?

RESPONSE:

a,b,c,) The primary purpose of this experiment is to obtain data and mailer feedback on whether the proposed discount levels are sufficient to change the behavior of mailers who are currently entering mail in sacks at the origin postal facility. If the experiment is conducted so that data and feedback are obtained, I would consider the experiment to be a success (even if the discounts generate a different volume response than I have projected). The volume response to the proposed discounts, while important, does not determine whether the experiment is a success or a failure. I don't know at this time how the Postal Service will respond to the results of the experiment. Future steps will be evaluated in the context of the overall rate design for Periodicals.

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TW/USPS-T1-2 Please describe the reasoning you employed to select the specific qualification criteria presented in your proposal. Include in your description the empirical data you relied on and all analytical methods used to determine the numerical values of these criteria. Specifically:

- a. Why did you decide to limit eligibility for the experimental incentives to circulations of 75,000 and under, rather than for example 50,000 or 100,000?
- b. Why did you decide to limit eligibility for the experimental incentives to Periodicals with no more than 15% advertising content, rather than for example 10%, or 20%?
- c. Why did you decide to limit eligibility for the experimental incentives to pieces weighing no less than 9 ounces, rather than for example 8 ounces, or 10 ounces?
- d. Why did you decide to limit eligibility for the experimental incentives to mailings with less than 250 pounds to a given ADC, rather than for example any volume that currently is sacked?
- e. Why did you decide to limit the passthrough of postal transportation costs saved to 30%, rather than for example 35%?

RESPONSE:

a & c. As discussed in my testimony, the proposed discounts are intended to provide incentives for small, heavy-weight publications with high editorial content to move their mail from sacks to pallets and dropship at a destination ADC or SCF. The Postal Service was aware that these periodicals were not frequently dropshipped. To achieve more co-palletization and dropshipping, the discount structure has to focus on the actual zone avoidance by editorial pounds. See USPS-T-1 at 6.

However, our goal was a small learning experiment and not a proposal to overhaul Periodicals rates. As such, the Postal Service wanted to limit the experiment to those publications for which the behavior change was most likely (and least likely under the current per-piece co-palletization discounts). We also reviewed certain data (provided in response to ABM/USPS-T1-4), and determined that the 75,000 copy ceiling on circulation and 9 ounce floor on copy weights would allow participation by enough publications to make the experiment worthwhile. Using a 50,000 or 100,000 circulation limit probably would not change the scope of this experiment.

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The balance between attracting enough volume for the experiment, but keeping the experiment small, led us to these broad restrictions for the experiment. We do not believe that a higher circulation ceiling would have attracted significantly more volume, as long as the advertising content limit was maintained. Lowering the copy weight floor, on the other hand, might add substantial volume to the experiment even with the advertising content restriction. The weight limit was kept at 9 ounces in order to keep the experiment small.

b. The original printer and consolidator that we worked with did not think that this advertising limit was too restrictive. Also, when we learned of the all or nothing approach to co-palletization (in which printers, in order to realize the complete operational benefit of palletization, would like to eliminate sacking operations entirely once they begin co-palletization), we are convinced that some publications that are slightly higher in advertising content would still co-palletize, using the current co-palletization discounts. The rules would allow combining, on the same pallets, pieces that are claiming the per-piece discount with pieces that would claim the per-editorial-pound discounts. The choice of a 15 percent advertising limit reflected our balancing of several goals, including supplementing the existing co-palletization discounts, not reducing the Periodicals Outside County cost coverage, and limiting opposition to the proposal because of concern over preserving the flat editorial pound rate.

d. The less than 250 pounds limit of mail to an ADC essentially targets the mail that is currently in sacks. The 250 pound limit makes it easier to verify, using the available documentation, that mail could not otherwise have been palletized.

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e. From our perspective, the 30 percent passthrough is the minimum that we have to provide to get this mail out of sacks, onto pallets, and dropshipped to either the destination ADC or SCF. Given the current cost coverage for Outside County Periodicals, and the current editorial pound rate, we think that this minimum is the most appropriate passthrough.

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TW/USPS-T1-3 At page 16 you list three goals that you say motivated the conservative approach chosen by the Postal Service. For each of the three goals, and for each of the hypothetical design changes listed below, please state whether such a modification would (1) jeopardize your ability to achieve the given goal; (2) enhance your ability to achieve the given goal; or (3) not affect the given goal one way or the other. Please explain the reasoning that leads to each answer.

a. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of limiting eligibility to circulations below 75,000 per issue, you were to extend eligibility to circulations below 100,000? Please answer the same question for the case that eligibility were extended to all circulations below 200,000.

b. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of limiting eligibility to pieces weighing over nine ounces, you were to extend eligibility to pieces weighing over eight ounces?

c. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of limiting eligibility to pieces with less than 15% advertising content, you were to extend eligibility to pieces with advertising content less than 20%?

d. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of limiting eligibility to volumes below 250 pounds to a given ADC, you were to extend eligibility to any weight to a given ADC, as long as the volume is currently sacked and entered at origin?

e. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of limiting eligibility to volumes below 250 pounds to a given ADC, you were to extend eligibility to pieces that already are being placed on pallets, as long as those pallets currently are entered at origin?

f. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of requiring co-palletization, you were to also offer 30% of what the Postal Service would save on transportation costs to sacked, high editorial pieces when those sacks are entered at the DADC or DSCF rather than at origin?

g. How would it affect your ability to achieve goals 1, 2 and 3 respectively if instead of passing through only 30% of the Postal Service's avoided transportation costs, you were to pass through 40 percent?

RESPONSE:

Here is my discussion of the three goals that form the basis of the conservative approach in to developing the discounts. It has been reproduced (from USPS-T-1, at 16) to keep the response in perspective:

The Postal Service has deliberately chosen a conservative approach in developing these discounts. This approach was motivated by three goals. The first goal is to assure that there is no erosion of the low subclass markup due to this classification change. The second goal is to provide sufficient incentive for high-editorial publications to participate in co-palletization programs. Because of this second goal, I based the discounts

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on zones skipped. This structure provides a fair and equitable way to provide discounts based on the actual worksharing. The third goal is to ensure that non-participants not only avoid any rate increases, but also receive the benefit of substantial additional cost reductions that may accrue to Periodicals resulting from the proposed discounts.

- a) Increasing the circulation limit would not affect the ability to achieve these goals significantly. As I stated in my response to TW/USPS-T1-2, the purpose of the circulation limit is to keep the experiment focused on small circulation publications. I am not aware of any substantial volume that would meet all the other criteria but would be ineligible only because of the circulation limit. In other words, I do not know of many publications that have 15 percent or less advertising, copy weight of 9 ounces or more, and a circulation greater than 75,000.
- b) Decreasing the weight limit would probably not affect the ability to achieve these goals one way or the other. If the lower limit attracted new co-palletization volume, it would tend to help achieve the goals. But the goals would not be helped if the lower weight limit simply shifted volume from the per-piece discount to the per-editorial-pound discount.
- c) Increasing the maximum advertising percent would probably jeopardize the ability to achieve the first goal through a possible shift from the current co-palletization to the proposed experiment, and by passing on greater discounts without additional worksharing.
- d) This change would probably not affect the goals one way or the other. From our perspective eligibility is extended to pieces that are in sacks. We believe that when density now allows for use of a pallet, sacks are not used especially with a

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discount available on the pallet. Also, eligibility for the proposed experiment is not based on how the mail was prepared in the past; rather, it is based on whether the density of the mail as it is today allows use of an ADC pallet. If the mail volume for a particular ADC falls short of 250 pounds it can easily be documented and it is safe to assume that this mail would be in sacks absent co-palletization.

- e) I am not sure. Part of the savings from this experimental discount that would benefit non-participants would be from the movement of mail from sacks to pallets. To that extent extending the discount to currently palletized mail would probably jeopardize achieving the third goal. Also, this change would probably add significant complexity to the experiment as mailers would have to provide historical data for all mail to establish that in fact the mail on pallets had not been dropshipped in the past.
- f) The current co-palletization discounts and the ones proposed in this docket are directed toward moving mail out of sacks and onto pallets, and getting the mail entered closer to destination (either at a destination ADC or SCF). This particular scenario probably would jeopardize achieving the first and third goals that motivated the conservative approach for developing discounts, and it would fail to move mail from sacks to pallets.
- g) A 40 percent passthrough would hurt the ability to achieve the first and third goals.

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TW/USPS-T1-4 At page 18 you state:

"Given the advertising, circulation, and copy weight limits, we estimate that approximately 20 million pieces per year would be able to take advantage of these experimental discounts, removing over 400,000 sacks from postal operations." Please clarify which of the following is the most correct interpretation of the above statement:

- (1) your estimate refers to outside county Periodicals pieces that meet your specified eligibility criteria with regard to advertising, circulation, and copy weight limits;
- (2) your estimate refers to pieces that meet all eligibility criteria and in addition you believe that printers/consolidators, in spite of being rewarded only 30% of what the Postal Service would have spent on transportation and none of what the Postal Service would have spent on transshipping in intermediate facilities, will be able to co-palletize those pieces, transport them to the DADC/DSCF and develop the additional documentation such as before- and after mail.dat files, while earning a reasonable profit for themselves and providing a net reduction in overall mailing costs to their clients; or
- (3) any other interpretation (please explain).

In either case, please explain fully how the estimate of 20 million pieces was derived.

RESPONSE:

I choose option (3). I expect that approximately 20 million pieces would actually use the proposed discounts to co-palletize their mail and dropship to a destination ADC or SCF. Obviously, these pieces would have to meet the criteria put forth in this proposal. So, my estimate includes pieces that are both eligible and willing to participate. Cadmus Communications has approximately 13 million pieces that would qualify. See my response to interrogatory ABM/USPS-T1-4. We believe that Cadmus would work with all its publishers to get 95 percent of those eligible pieces co-palletized and dropshipped using the proposed discounts. We conservatively estimate that about 8 million pieces from other printers would find these discounts attractive for co-palletization and dropshipment. This estimate reflects less than 20 percent of eligible volume for printers other than Cadmus. As I have stated in my response to interrogatory TW/USPS-T1-6, the universe of eligible pieces is 54 million, of which 13 million is from Cadmus.

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As explained in the attached letter from Cadmus Communications, publishers would benefit from co-palletization even if they do not receive a net reduction in overall mailing costs.



April 5, 2004

Honorable Dana B. Covington, Sr
Commissioner
Postal Rate Commission
1333 H Street, NW
Washington DC 20269-0001

Dear Commissioner Covington:

My name is Frank Lynn. I serve Cadmus Communications in the role of Corporate Director of Postal Affairs and Strategic Distribution. Cadmus is the fifth largest printer of Periodicals publications nationally and the largest print supplier to scientific journals market.

Cadmus wishes to express its support of the Postal Service's request for Experimental Periodicals Co-Palletization Dropship Discounts for High Editorial Publications (Docket No. MC2004-1). Cadmus needs the proposed incentives to enable us to offer co-palletization opportunities to all of our Periodicals customers. Without these incentives, it does not make sense for us to do any co-palletization. The proposed incentives would justify us switching from sacks to pallets for our many low-advertising customers, as well as for our other customers, who would use the existing discounts. It is important in our planning for these changes to learn as soon as possible whether the Postal Rate Commission will recommend the proposed incentives.

We believe that the proposed rates provide just enough additional financial incentive for higher weight and low advertising content publishers to participate in the co-palletization program. Even if publishers receive only limited postage savings, they may take advantage of the following program benefits:

- Expedited in-home deliveries of their ECSI-content (Educational, Cultural, Scientific and Information) publications since the participating copies will be drop-shipped to either SCFs or ADCs.
- Reduced broken bundles and mail piece damage as a result of reduced postal handlings.
- Supplying mail to the Postal Service that can lower their processing costs. Lower mail processing costs offers the greatest opportunity to provide more-stable future Periodicals rates.

Many of our scientific and scholarly publishers are driven by humanitarian motives. They believe that the dissemination of medical and cultural content will aid all readers and countries. They would support initiatives such as these where delivery services can be improved without increasing their postage costs.

Sincerely,


Frank Lynn
Corporate Director of Postal Affairs and
Strategic Distribution

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TW/USPS-T1-5 Please confirm that your eligibility requirements will apply separately to each mailing. In particular, confirm that if a participating Periodical in a given issue should have slightly more than 75,000 pieces, or slightly more than 15% advertising content, or weigh slightly less than nine ounces per piece, it would not receive the experimental discount for that particular issue. If not confirmed, please clarify.

RESPONSE:

Confirmed. My understanding is that most publications would not be teetering on these limits. Most of the publications that would be eligible for these discounts have no advertising whatsoever and also, circulation is significantly less than 75,000. Also, it is possible for mailers to fall back on the current per-piece discount in those rare cases where this kind of slight change would make the mailing ineligible for the proposed discounts. Again, please keep in mind the balance sought between getting enough volume and keeping the experiment small, as discussed in my response to TW/USPS-T1-2(a).

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TW/USPS-T1-6 What percentage of the potentially qualifying pieces do you expect will actually participate in the proposed experimental program? Please explain the basis for your estimate.

RESPONSE:

I estimate that the annual number of qualifying pieces is in the range of 54 million pieces. Please see my response below to TW/USPS-T1-13. So, I project that approximately 37 percent of the qualifying pieces would actually participate.

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TW/USPS-T1-7 Please assume that at the end of the two-year experimental period, a significant portion of the pieces that qualify under the proposed eligibility criteria are being entered on pallets at the DADC or DSCF, even with only the proposed 30% passthrough of savings in postal transportation costs. Please state whether you agree that one then would be justified in drawing each of the conclusions listed below. If you disagree with some of them, please explain.

(1) Relaxing the eligibility criteria would give printers/consolidators more volume to work with and therefore more opportunities to create economic loads to destinating facilities. This would increase participation also among mailings that meet the original eligibility criteria.

(2) Increasing the passthrough of avoided Postal Service transportation costs would likely increase participation even further, by making it worthwhile for printers/consolidators to offer dropshipping to more destinating facilities.

(3) It will have been proven that even the lowest volume, highest editorial content publications can be brought to the destinating facility more economically through co-palletization and pool dropshipping by private contractors than by being entered at origin and traveling through the postal system. As a corollary, the publications the flat editorial pound rate was supposed to protect would in fact be better off with zoned editorial rates, combined with a flat per-pound editorial discount.

RESPONSE:

(1) I do not know enough to agree or disagree. One possible scenario is that relaxing the eligibility criteria would just shift some volume from the current per-piece discounts to the proposed per-editorial pound discounts, without actually increasing co-palletization. See also my response to TW/USPS-T1-2.

(2) Yes. As stated earlier, the purpose of the criteria is to keep the experiment focused on those pieces that are unlikely to use the current co-palletization discounts. But increasing the passthrough risks worsening the contribution for the Periodicals Outside County subclass. Also see my responses to ABM/USPS-T1-25-29.

(3) I disagree. Some publications would not be participating, so I cannot say whether all publications would be better off with zoned editorial rates. Structural change in the editorial pound rate is more fundamental, and is beyond the scope of this limited experiment to gauge the efficacy of the proposed incentives to change mailer behavior.

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TW/USPS-T1-8 Please state, for each of the contingencies listed below, whether it was considered by the Postal Service in developing the proposed experimental classification. For contingencies that were considered, please explain how they were considered and what was concluded.

- a. A participating mailer sees that in a given issue he will have 80,000 pieces. In order to maintain his eligibility he either (1) reduces his volume to 75,000 pieces; or (2) puts 5,000 pieces in sacks in a separate mailing.
- b. A participating mailer sees that in a given issue he could have 18% advertising content. In order to maintain eligibility he turns away some sponsors so that his advertising content will drop below 15%.
- c. A participating mailer sees that due to a higher than normal piece weight in a given issue he has more than 250 pounds going to a given ADC area. In order to maintain his eligibility he puts some pieces to that ADC area in sacks which he enters in a separate mailing at origin, so that he will have no more than 250 pounds represented in the co-pallet(s) to that ADC.
- d. A participating mailer sees that for a given issue he has only eight ounces per piece of material that meets his normal criteria for high quality material. But to bring the weight up to nine ounces and maintain his eligibility, he includes extra material that normally would not meet his criteria for high quality content.

RESPONSE:

- a. We did not consider this contingency. We believe that mailers can use either the per-pound or the per-piece discounts for mail in the same co-palletized pool. If it happens that a publication qualified for the proposed co-palletization discounts for a particular issue but in a subsequent issue one of the eligibility conditions changes, then they can still co-palletize and use the current per-piece discount. The postage savings would be less for that particular mailing, but the operational savings for the mailer would still exist. Most importantly, the base of publications likely to participate that we have observed makes this sort of a change highly unlikely for most publications. Circulation is significantly below 75,000 so a minor change from issue to issue would not bring it to the ceiling. Furthermore, because eligibility is based on the total mailed circulation of an issue of a publication, putting 5,000 pieces into a sacked mailing would not make the other

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75,000 pieces eligible for the per-pound discount. The entire 80,000 mailed copies would be ineligible.

- b. No. I do not believe that the discounts are substantial enough to justify this reaction. Also, advertising content is well below 15 percent for most qualifying publications. A minor change from issue to issue will not cause the publications to become ineligible. See my response to part (a) above.
- c. This behavior would be inconsistent with the requirements for qualification. Also, see my response to part (a) above.
- d. No. I do not believe that the discounts are substantial enough to justify this reaction.

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TW/USPS-T1-9 Please describe all data collection efforts and analytical studies performed by the Postal Service since January 2001 that concern the Postal Service's unit costs of handling sacks, pallets and bundles of Periodicals and/or Standard flats, and the impact of container presort level and entry point (DDU, DSCF, DADC, etc.) on such unit costs. Please describe both the methodology used and results obtained from any such studies and indicate whether, and if so how, you took those results into account when preparing your present testimony.

RESPONSE:

Objection filed.

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TW/USPS-T1-10 The Excel file in your Exhibit A contains a table that appears to represent the number of pounds going to each zone for 49 magazines.

- a. Please explain how the 49 magazines were selected and the population of Periodicals that they are supposed to be a statistically valid sample of.
- b. How many of the 49 publications have less than 10% advertising content? How many have less than 15%?
- c. How many of the 49 publications weigh more than nine ounces per piece?
- d. How many of the 49 publications have circulation less than 75,000?
- e. How many of the 49 publications are nationally distributed, rather than predominantly local or regional publications?
- f. How many of the 49 publications are currently entered in sacks only and at origin?

RESPONSE:

- a. The 49 magazines were used only to get a reasonable distribution of pounds by zones to compare co-palletization savings of high-editorial and low-editorial publications. They are not and were never described as a statistically valid sample. They were merely meant to reasonably represent the distribution of pounds for the publications that were being targeted for the example discussed in my testimony.
- b. 35 out of 49 have 10 percent or less advertising content. In fact, 32 of the publications have 0 percent advertising content. 47 have 15 percent or less advertising content, and all the publications have 16 percent or less advertising content. See my response to OCA/USPS-T1-7.
- c. All off the publications weigh more than 9 ounces per copy.
- d. My understanding is that all the publications have circulation of less than 75,000.
- e. All of the publications are distributed to all zones.
- f. My understanding is that the data represent only the sacked portion of each magazine. It is also my understanding that regardless of the containerization, all of these publications are origin entered.

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TW/USPS-T1-11 Under your proposal, qualifying editorial matter entered at the DSCF or DADC will get a larger discount, thereby paying less overall, if it has been brought from a remote location (e.g., zone 8) than if it has been printed near the destinating facility, requiring only a short haul by the mailer.

- a. Is there any current postal rate element, in any class, that depends on mailer costs incurred before the mail is turned over to the Postal Service? Please list all instances where this occurs.
- b. Is this approach to discount design consistent with the theoretical model approved by the Commission, Efficient Component Pricing (ECP)? If not, what special facts or circumstances justify this departure from ECP?
- c. Does any other known theory of efficient or competitive ratemaking support basing rates on costs the mailer may have incurred to print, make up, or transport the mail to the Postal Service (rather than solely to the Postal Service's costs and the elasticity characteristics of the mail)? If yes, please provide appropriate references.
- d. Do you envision making this characteristic of the proposed rates a permanent feature in the Periodicals class? If yes, do you see it being extended beyond the narrow group of Periodicals defined as eligible in your testimony? If no, how do you envision weaning Periodicals that will have become dependent on the Zone 8 discount in the future?

RESPONSE:

- a. It depends. One could argue that the current co-palletization experiment is similar in that by co-palletizing, previously sacked mail that co-palletizes pays lower rates than an equivalently prepared single publication mailing on a pallet. The larger publication that has enough volume to create a pallet on its own does not qualify of this discount because only the co-palletized mail qualifies for the co-palletization discounts. It is important to remember that this is an experiment to test whether appropriate price signals can change the preparation of often more costly, smaller circulation publications.
- b. The goal of this experimental filing is not to break new ground in pricing theory or depart from generally accepted principles of pricing. The goal is to conduct a limited experiment to gauge the feasibility of using a discount structure to improve mail preparation and entry.

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c. I would disagree with the premise of this question. The proposed discounts in this docket are not based on mailer costs. The discounts are based on cost savings that would accrue to the Postal Service as a result of the behavior change induced by the discounts.

d. We have not decided whether to propose this characteristic in future proposals for permanent classifications. Again, the purpose of the experiment is to test incentives for combining small mailings, making them more efficient to handle. The results of the experiment will help us decide how to proceed. While the rate structure issues will be resolved in the context of the next case, the limited passthrough is no accident and provides sufficient flexibility in the future. I would note that under the scenario postulated by the question, "weaning" customers off of a smaller discount as a result of a limited passthrough is less problematic than the larger passthroughs suggested by previous questions. Moreover, once a publication begins to co-palletize, I would be surprised if it went back to sacks, especially because I do envision the continuation of some discounts, or lower rates, for pallets.

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TW/USPS-T1-12 At page 2 you refer to some results from the experimental rates established under MC2003-2. In particular you mention 9 million pieces removed from 180,000 sacks as a result of those rates. Please provide annualized estimates in responding to the following, and explain how data collected from MC2003-2 support those estimates.

- a. How many sacks per year does the Postal Service estimate the MC2003-2 incentives will help remove from the postal system? How many pieces and how many pounds will be moved from those sacks onto pallets?
- b. How many pieces and how many pounds does the Postal Service estimate will be removed from each zone (Zones 1-2 through Zone 8) to DSCF and DADC entry as a result of the MC2003-2 rates?
- c. How many new pallets does the Postal Service estimate will be generated as a result of the MC2003-2 rates?
- d. How many Periodicals, how many printers and how many agents/consolidators are currently participating in the MC2003-2 experiment?

RESPONSE:

a-c. We are providing an updated data collection report through February 2004 for the experimental discounts of Docket No. MC2003-2, in response to ABM/USPS-T1-6.

While we expect that the use of the Docket No. MC2002-3 discounts will still increase substantially, we do not have estimates of the final volumes. Overall volumes were projected in Exhibit B of my testimony from Docket No. MC2002-3. I do not believe that achieving those volumes by the end of the experiment is unrealistic.

d. Please see my response to interrogatory OCA/USPS-T1-3.

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TW/USPS-T1-13 Please answer the following based on the Postal Service's best available estimates, and indicate what those estimates are based on.

- a. How many outside county Periodicals have less than 10% advertising content?
- b. How many outside county Periodicals have less than 15% advertising content?
- c. How many outside county Periodicals have less than 15% advertising content and circulation no larger than 75,000?
- d. How many outside county Periodicals have less than 15% advertising content and weigh at least 9 ounces per piece?
- e. How many outside county Periodicals have less than 15% advertising content, weigh at least 9 ounces and have circulation no larger than 75,000?
- f. How many of the Outside County Periodicals in your answers to b through e above are published monthly or less frequently?
- g. How many of the Outside County Periodicals in your answers to b through f above have a national, rather than predominantly local or regional, distribution?

RESPONSE:

- a. Based on FY 2002 PERMIT System data, 12,897 Outside County Periodicals with approximately 1,045,467,000 copies have less than 10% advertising content.
- b. Based on FY 2002 PERMIT System data, 14,122 Outside County Periodicals with approximately 1,205,090,000 copies have less than 15% advertising content.
- c. Based on FY 2002 PERMIT System data, about 13,705 Outside County publications with approximately 495,418,000 copies have less than 15% advertising content and circulation no larger than 75,000.
- d. Based on FY 2002 PERMIT System data, 3,640 Outside County Periodicals with approximately 106,994,000 copies have less than 15% advertising content and weigh at least 9 ounces per copy.
- e. Based on FY 2002 PERMIT System data, 3,594 outside county Periodicals with approximately 54 million copies have less than 15% advertising content, weigh at least 9 ounces and have circulation no larger than 75,000.
- f-b. 10,364 publications with approximately 810,922,000 copies.
- f-c. 9,996 publications with approximately 289,305,000 copies.

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- f-d. 3,167 publications with approximately 86,430,000 copies.
- f-e. 3,122 publications with approximately 37,464,000 copies.
- g. The split between local/regional and national distribution publications cannot be determined from the available data.

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TW/USPS-T1-14. On page 5 of your testimony, line 16, you say: "The challenge for the Postal Service is to find a middle ground between leaving these publications in sacks, and proposing a more fundamental change in the current rate structure at this time."

- a. Do you agree that the new rates you propose will put in place a set of incentives and options that did not exist before. Explain any disagreement.
- b. Do you agree that mailers and possibly their agents are likely to make changes and invest money in response to these new incentives? Explain any disagreement.
- c. Do you agree that if "more fundamental change[s]" are made to the rate structure at some point in the future, the specific incentives in the current proposal will in all likelihood be withdrawn and the mailers will then be faced with a new set of incentives and options? Explain any disagreement.
- d. (1) Do you believe it is fair and equitable to expect mailers to invest and make changes aligned with the rates in the current proposal and then in a reasonably short period of time to invest and make changes aligned with a "more fundamental" change in the rate structure? (2) Please explain whether you believe it is likely that after adjusting to the second change, mailers might wish they had not adjusted to the first change.
- e. In order to help mailers and their agents to adjust to the changes proposed at this time, please provide information about the nature and timing of any "more fundamental change[s]" that are likely to be proposed in the future.
- f. Assuming "more fundamental" changes are proposed in the future, please explain your opinion on whether the implementation of the more fundamental changes should be tempered so that the adjustment from the proposed rates is limited, thus placing a constraint on the more fundamental changes and decreasing their effectiveness.
- g. Please present any analysis you have done of the extent to which the rates being proposed are in line in a fair and progressive way with any more fundamental changes that are likely to be proposed in the future.

RESPONSE:

- a. Agreed.
- b. Possibly. But some of the investment plans and changes could have been made or planned based on the first co-palletization experiment. The proposed incentives should allow better use of those changes and investments by inducing

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a larger volume to utilize the changed infrastructure. As I have stated in my testimony, this proposal is a logical extension of the existing co-palletization experiment. USPS-T-1, at 1. We expect that the proposed discounts will attract publications that would not have co-palletized and dropshipped with the existing experimental discounts while also facilitating their use.

- c. I do not know. I do not know what you mean by a "new set of incentives and options." I am confident that the Postal Service will continue, in some form or another, to advocate providing incentives for small publications to combine their mail and enter it on pallets at an ADC or SCF. Our goal will remain to provide incentives and options that encourage behavior changes similar to those already observed in the existing experiment.
- d. Your question assumes too much concerning the nature and timing of possible future changes. I cannot predict with certainty whether any future proposal by the Postal Service would be ultimately recommended, approved, and implemented under our administrative process, or when such changes would take effect. I would expect that any future Postal Service proposals would be consistent with the objectives embodied in the current proposal, namely, to make it more likely that smaller mailers would combine their mailings to achieve palletization and dropshipment. In this regard, I do not see anything inequitable or unfair about providing consistent pricing signals to the mailers. The Postal Service, and, I believe, the Commission, have generally tried to consider the impact on mailers' current practices when deciding about rate and classification changes.

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- e. As I have stated in my previous response, I cannot predict future pricing changes. I can state with reasonable certainty that the Postal Service would like to provide incentives for the behavior change that is sought in this docket.
- f. I do not understand what "implementation of the more fundamental changes should be tempered" means. My testimony supports the Postal Service's proposed experiment in the absence of fundamental change. Future Postal Service proposals will be influenced by a variety of factors, including the results of the proposed experiment, if it is ultimately recommended, approved, and implemented.
- g. I do not have any analysis of this nature. I do believe that the Postal Service's proposal in this proceeding is fair and progressive.

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TW/USPS-T1-15. Consider a zone-8 print location that prints 4 journals that weigh 9 ounces each. Two of the journals have 65 percent advertising and can be made eligible for the co-pallet-I discount by co-palletizing the journals and achieving a 300-pound pallet with 533 pieces on it. The other two journals have 15 percent advertising and can be made eligible for the co-pallet-II discount by the same procedure of copalletizing and achieving a similar 300-pound pallet with 533 pieces. There is nothing in the operations of the printer (or any transportation agent) that is sensitive to the split between editorial and advertising. In other words, they view all 4 of these publications as operational identical. The printer and the associated publisher are considering DSCF entry.

- a. Please confirm that the co-pallet of 65-percent-advertising publications could under R2001-1 rates receive a dropship discount of \$94.37 ($=533 \times (0.159047 \text{ discount on advertising} + 0.008 \text{ per-piece DSCF discount} + 0.01 \text{ per-piece pallet discount})$). Explain any disagreement.
- b. Please confirm that with the co-pallet-I discount of 1 cent per piece, this same pallet of 65-percent-advertising pieces could obtain a dropship discount of \$99.70 ($=94.37 + 533 \times 0.01 \text{ co-pallet-I discount}$). Explain any disagreement.
- c. Please confirm that for this mailer the co-pallet-I experiment is to see if an increase in the discount of 5.6 percent, from \$94.37 to \$99.70 will cause otherwise nonparticipating mailers to begin to participate.
- d. Consider now the co-pallet of 15-percent-advertising publications, and confirm that it could under R2001-1 rates receive a dropship discount of \$29.16 ($=533 \times (0.0367 \text{ discount on advertising} + 0.008 \text{ per-piece DSCF discount} + 0.01 \text{ per-piece pallet discount})$).
- e. Confirm that if the co-pallet of 15-percent-advertising publications takes advantage of the proposed co-pallet-II discount, it would receive a dropship discount of \$62.30 ($=29.16 + 533 \times \text{the proposed } 0.13 \times \text{the editorial weight}$).
- f. Please confirm that for 15-percent-advertising publications, the proposed copallet-II discounts become an experiment to see if increasing the dropship discount by 113.6%, from \$29.16 to \$62.30, will cause otherwise nonparticipating mailers to begin to participate.
- g. If there are any mailers similar to the 65-percent-advertising mailers in this example who are not already co-palletizing and dropshipping under current rates for a discount of \$94.37 (even before co-pallet-I discounts are applied), do you believe it is reasonable to expect that 15-percent-advertising mailers similar to those in this example will co-palletize and dropship for a discount of \$62.30?
- h. Has the Postal Service done any analysis to determine the characteristics of mailers already co-palletizing and dropshipping (even before the co-pallet-I

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discounts became effective) to help assess the likelihood that mailers will find the discounts in co-pallet-II attractive? If it has, please present the results of that analysis. If it has not, please explain whether you believe it is reasonable to expect an organization like to [sic] the Postal Service to perform such analyses to use in guiding experiments?

i. If the Postal Service has not done any analysis allowed by the current rates, as suggested above, would you characterize the proposed experiment as unsupported by a priori analysis, as suggested on lines 3 through 7 of page 1 of your testimony?

RESPONSE:

- a. Not confirmed. I estimate the discount to be \$97.03. The difference could be that your question assumes \$0.01 for the per-piece pallet discount. If this mail is on a pallet and dropshipped at the destination SCF then the applicable discount is \$0.015 per piece.
- b. Not confirmed. I estimate this number to be \$102.36. Please see my response to part (a).
- c. Not confirmed. In addition to our calculation difference which gives me a 5.5 percent increase in discount compared to your calculation of 5.6 percent, I disagree with the premise of your question. Our goal in filing Docket No. MC2002-3 (the first co-palletization case) was to build upon the momentum for palletization and dropshipment that was achieved in the settlement of Docket No. R2001-1. In Docket No. R2001-1, the Postal Service had proposed a \$0.005 per-piece pallet discount and additional discounts on dropshipped editorial pounds. The rates that resulted from the settlement process provided two pallet discounts: one for pieces prepared on pallets, regardless of dropshipment, and the other one for pieces prepared on pallets and dropshipped. Given this rate structure, we decided that the additional incentive proposed in Docket No.

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MC2002-3 would help in improving mail preparation and destination entry.

Please see my Docket No. MC2002-3 testimony, USPS-T-1, at 4.

Thus, the 5.5 or 5.6 percent that was estimated in this example is not the only incentive that will cause non-participating mailers to begin to participate. This additional incentive works in conjunction with the enhanced palletization and dropship incentives resulting from Docket No. R2001-1.

- d. Not confirmed. I estimate the discount to be \$31.82. See my response to part (a) above.
- e. Not confirmed. I estimate the discount to be \$70.54. See my response to part (a) above.
- f. Not confirmed. Since the increase is from \$31.82 to \$70.54 the percent increase is approximately 122 percent.
- g. It is reasonable to expect that the proposed discount combined with existing discounts on the rate schedule would be attractive to many publications. The savings for a customer that has sacked mail entered at origin would not be from \$31.82 to \$70.54, as provided in your example; rather, the savings are from zero to \$70.54. We understand that it is less than the discount for a publication with high advertising content, but there are other benefits from the mailer's perspective. As explained in the April 5 letter from Cadmus Communications to Commissioner Covington, the proposed incentives will justify Cadmus' shift of their low advertising publications, as well as their other publications, to pallets. There are operational savings for the printer when sacks are completely replaced by pallets. Since the co-palletized mail will be dropshipped to either a destination

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ADC or SCF there are possible improvements in delivery (even accounting for the delays due to co-palletization). Reduction in bundle breakage and less damage to mail pieces because of palletization is another advantage. Please see my response to Time Warner interrogatory TW/USPS-T1-4.

- h. Instead of analyzing the characteristics of mailers already co-palletizing and dropshipping, the Postal Service has focused its attention on mailers that were using sacks. Thus, the Postal Service provided a reasonable basis for the Docket No. MC2002-3 co-palletization experiment, which has led to additional palletization and dropshipment. Moreover, the proposal now under consideration has the support of the largest print supplier to the scientific journals market, a large source of sacked mail. Potential participation from the titles printed by this printer alone is approximately 13 million pieces annually with a potential annual reduction of over 300,000 sacks from postal operations (see Cadmus database attached to my response to ABM/USPS-T1-4). Given the experience to date we believe that implementation of the proposed discount would increase participation in the current experiment, as well as attract new volume to co-palletizing and dropshipping. Please see my responses to interrogatories ABM/USPS-T1-3 and 4, and TW/USPS-T1-4.
- i. No. I believe that the Postal Service has provided reasonable justification for proposing this experiment, including the data collection plan discussed at pages 19 to 20 of my testimony, USPS-T-1.

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TW/USPS-T1-16. On page 23 of your testimony, lines 12-13, you indicate that your proposal will "help maintain the widespread dissemination of editorial matter." Please discuss the nature of the test you would use to determine whether the dissemination of editorial matter is less widespread or more widespread under your proposal. Focus only on the concept of the test and not on how to carry it out or on whether it is difficult to carry it out.

RESPONSE:

The Postal Service has not proposed any quantitative measurement of editorial matter's dissemination. The purpose of this experiment is to test whether the proposed discounts induce more co-palletization and dropshipment by the targeted publications. We intend to collect data on that particular subject to inform future pricing proposals for Periodicals.

I do believe that this proposal will help maintain the widespread dissemination of editorial matter, because it would provide incentives for high-editorial content, relatively heavy, and smaller circulation publications, to increase use of the more efficient palletization and dropship practices. To the extent that these publishers find it more economical to use the mail to distribute periodicals containing high editorial content, their ability to disseminate editorial matter will be enhanced.

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TW/USPS-T1-17. On page 1 of your testimony, lines 11-12, you indicate that some “small publications do not find the current discounts attractive enough to change their behavior.”

- a. Please explain whether you have reached a preconceived conclusion that some mailers should change their behavior.
- b. Please explain whether you view the result of whether mailers change their behavior as an indicator of whether the current discounts are adequate. If you do, please provide references to any theoretical literature indicating that the efficiency of a set of rates can or should be measured by whether buyers change their behavior.
- c. Please explain whether you believe that the efficient component pricing rule is based on a presumption that efficient rates can be set without knowing how mailers will respond and then allowing mailers to make their own decisions.
- d. If under the efficient component pricing rule a mailer decides to purchase a high-cost service instead of a low-cost service, do you know of any basis for concluding that this is an undesirable outcome? Explain.

RESPONSE:

Before responding to the specific questions, I would like to provide the full context of the sentence fragment that is quoted from my testimony, at page 1, lines 11-12.

This proposal is a logical extension of the current *experimental per-piece discounts for co-palletized and dropshipped pieces* (Docket No. MC2002-3). In many instances, high-editorial (editorial content is also referred to as non-advertising content), heavier weight, small publications do not find the current discounts attractive enough to change their behavior. The proposed experiment would provide per-pound discounts for editorial pounds in co-palletized and dropshipped mail, based on the entry points and zones skipped.

As can be seen from these three sentences, the primary goal was to extend the discounts that were implemented in Docket No. MC2002-3. So, a reasonable question to ask is whether the discounts proposed and recommended in Docket No. MC2002-3 were justified in the light of the efficient component pricing rule, which is the subject matter of the parts that follow. As stated in my response to interrogatory ABM/USPS-

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T1-1, the genesis of this type of worksharing discount was laid out in my testimony in Docket No. R2001-1. Also, my testimony in Docket No. MC2002-3 provides the justification for co-palletization and dropshipment discounts.

One of the key Periodicals issues in recent rate cases has been the need to control cost increases. The Postal Service employs worksharing incentives to encourage palletization and dropshipping, thus mitigating increases in processing costs. As of the base year in Docket No. R2001-1, about 69 percent of Periodicals mail was presented on pallets, and about 44 percent was dropshipped to destination facilities. Even with worksharing incentives, Periodicals volume still includes a substantial amount of sacked, non-dropshipped mail. More importantly, this volume accounts for a disproportionate amount of Periodicals processing costs, primarily because the same amount of mail requires the handling of many more sacks than pallets. (footnotes omitted)

Docket No. MC2002-3, USPS-T-1, at 2.

I also discussed the need for these types of discounts on page 4:

In Docket No. R2001-1, the Postal Service proposed new Periodicals incentives for both palletization and dropshipment. These proposals were designed to improve the preparation of mail and encourage entry closer to destination. I specifically discussed the benefits of dropshipping and palletization for Periodicals in my testimony in that case. Docket No. R2001-1, USPS-T-34, at 6, 8-11. The settlement and Recommended Decision in that docket resulted in enhanced Periodicals dropshipment and pallet discounts. PRC Op., R2001-1, at 104-06. While these discounts should encourage more dropshipment and palletization, I believe that additional discounts promoting copalletization (and subsequent dropshipping) should be tested, with the goal of reducing the increases in Periodicals costs. This could build on the momentum resulting from the recently implemented discounts.

Docket No. MC2002-3, USPS-T-1, at 4.

In light of this discussion, it is clear that changing behavior for the sake of changing behavior is not the goal of the proposed discounts. Rather the goal is changing behavior that is expensive both for the mailers and the Postal Service. We hope that this

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experiment will lead to reduced mailer preparation cost and Postal Service mail processing and delivery costs.

a-d. Please see the above discussion. The goal is to provide incentives for changing behavior that is costly both to the mailers and the Postal Service. The choice of proposed discounts depends on the effectiveness of the discounts in inducing cost-saving behavior. Discounts should be justified by cost savings to the Postal Service. The purpose of the experiment is to test the proposal against that goal.

Regarding the theoretical support for the proposal, I would like to quote an ex-postal and Commission economist, Mr. Robert W. Mitchell, on the philosophy of worksharing and efficient rates. In a paper titled, "Postal Worksharing: Welfare, Technical Efficiency, and Pareto Optimality," he states that "Some postal activities can be done more efficiently by mailers than by the Postal Service. The worksharing notion is to set up a rate structure that gives mailers choices. If done right, the mailers will choose to do the work only when they do it more efficiently than the Postal Service." Our goal is to test this particular hypothesis in the limited context of discounts on editorial pounds that are dropshipped to a destination ADC or SCF.

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TW/USPS-T1-18. On page 5 of your testimony, lines 6-7, you indicate that the current incentives "do not have a sufficient impact on high-editorial publications." Please explain how you can tell whether any particular set of rates has a "sufficient" impact on any particular publication.

RESPONSE:

I did not have a specific definition of "sufficient" in mind when writing that part of my testimony. Rather, I was referring to my knowledge that the existing discounts did not affect Cadmus' use of sacks, and to the earlier discussion in my testimony that these discounts provide substantially lower postage savings for high editorial publications than for high advertising publications.

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TW/USPS-T1-19. On page 14 of your testimony, beginning on line 3, you say: "I did not separately analyze potential cost savings, because the differences between the zoned advertising pound rates reflect all pound-related transportation and nontransportation cost savings that accrue to the Postal Service when mail is entered closer to its destination." Then in a footnote following this sentence, you say: "Further, the pound-related portion of non-transportation cost savings is fully passed through to estimate the destination entry advertising pound rates." For purposes of this question, please consider all dropship discounts provided through the advertising pound rates to involve the sum of two components. The first component is from zone z down to zones 1&2 and the second component is from zones 1&2 down to the DSCF, where z can take on values from 3 through 8.

- a. Do you contend that the non-transportation savings of the Postal Service for the first component, from zone z down to zones 1&2, are reflected or recognized in any degree whatsoever in the zoned pound rates from which the dropship discount is calculated? If you do, please provide references to the cost study on which this cost savings is based and describe in detail, using your rate design spreadsheet from Docket No. R2001-1, where and how these savings are built into the zone rates.
- b. If you do not so contend, would you agree that the sentence beginning on line 3, quoted above, is in error? If not, please explain. If so, please provide a corrected sentence.
- c. Please identify the cost study on which the non-transportation savings between zones 1&2 and the DSCF, the second component outlined above, is based, and explain how the pound-related non-transportation costs are developed from it.
- d. If your answer to the question in part a above is essentially "no," please explain whether the Postal Service has any analysis or other information relating to the non-transportation savings for sacks, and/or pallets, and/or both across the first component, from zone z down to zones 1&2. If it does, please provide that analysis.

RESPONSE:

- a. My contention is that when mail is entered at the destination ADC, SCF or Delivery Unit both transportation and non-transportation (non-transportation cost savings are estimated in comparison to zones 1 & 2) savings are reflected in these rates compared to zones 1 & 2. The

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footnote on page 14 clarifies this issue categorically. I did not claim that the zones 1 & 2 rates compared to Zone 6 rate (for example) takes into account non-transportation cost savings.

Another clarification that is in order is that we are dealing with non-transportation cost savings. "Pound-related" in this context implies that fifty percent which is applied to pound rates. The other fifty percent applies to the calculation of piece-related dropship discounts. Traditionally the rate design for advertising pound rates has included the non-transportation savings only for the calculation of destination entry rates compared to zones 1 & 2. The estimates of these savings were provided by witness Mayes (see USPS-LR-J-68, Appendix F), and the actual numbers used in my spreadsheet can be found in cells D10, D11, and D12 of the sheet titled 'Discounts', reflecting the estimates for SCF and ADC respectively. These estimates are converted to per-pieces bases in C10, C11, and C12. One-half of these savings is used in the calculation of advertising pound rates for destination entry (ADC, SCF and DU). See 'Pound Data_Adv' cells C47, C48 and C49. The other half of these estimates is used in deriving per-piece entry discounts. See worksheet 'Piece Discounts 2' cells C17, C18 and C19.

- b. The sentence to which you refer is accurate when combined with the explanation in the footnote. If I were to re-state this idea, I might say the following: I did not separately analyze potential cost savings, because the differences between the zoned advertising pound rates reflect all

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transportation and non-transportation (as compared to zones 1 & 2) cost savings that accrue to the Postal Service when mail is entered at the destination ADC, SCF or DDU. As I have stated in part (a), the study is provided in library reference J-68, Appendix F, sponsored by witness Mayes (USPS-T-23). The use of these estimates in my workpapers is also discussed in part (a).

- c. This second component is provided in Library Reference J-68 sponsored by witness Mayes in Docket No. R2001-1. See also my response to part (a).
- d. No.

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TW/USPS-T1-20. On page 14 of your testimony, beginning on line 13, you say: "The existing rate structure allows the mailer of advertising pounds to make an economic decision regarding dropshipping based on the existing advertising pound rate differentials."

a. By "economic decision," please explain whether you mean that the mailer sees reflected in the rates the postal-resource implications of dropshipping vs. not dropshipping. If you mean something fundamentally different from this, please explain in detail what you mean, including the framework within which the decision is made and any attendant assumptions made.

b. Do you agree that if any non-transportation costs are *not* reflected in the zoned pound rates, an economic decision of the kind you reference cannot really be made, even for advertising? Explain any disagreement.

c. Do you agree that periodicals generally have some editorial content and therefore that for any actual publication, an economic decision of the kind you discuss cannot be made, even neglecting questions about how nontransportation costs are recognized? Explain any disagreement.

d. Do you agree that, apart from the rates you propose, mailers of publications that are 100 percent editorial have no information whatever on the postal resource implications of any decision they might make and therefore that they cannot be expected to make economic decisions?

e. Would you agree generally that if the rates you propose are adopted, mailers of advertising could make economic decisions (except for certain nontransportation costs), most mailers of publications with non-zero portions of editorial could make distorted economic decisions, most mailers of all-editorial publications could make severely distorted economic decisions, and mailers that use the rates you propose could make moderately distorted economic decisions? Explain any disagreement and explain where you see any fairness and equity in partitioning mailers into these camps.

RESPONSE:

a. Yes.

b. I agree that if the non-transportation cost savings are not reflected in the pound rates then at least one piece of information that is the basis of the economic decision that I have discussed is lacking. However, I contend that the advertising pound rates for destination entry points (DADC,

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DSCF, and DDU) do not lack that component (as stated earlier non-transportation cost savings are benchmarked to Zones 1 & 2), and, at least for the advertising pounds, provide the information that is needed to make these economic decisions. Please see my response to interrogatory TW/USPS-T1-19 part (a).

- c. I agree and that is the reason for our proposal in this docket. As I stated in my testimony:

The existing rate structure allows the mailer of advertising pounds to make an economic decision regarding dropshipping based on the existing advertising pound rate differentials. Thus, no additional per-pound incentive for advertising pounds is needed to reflect the related transportation costs. On the other hand, editorial pounds pay a uniform rate regardless of the entry point. This uniform rate does not reflect the savings generated by dropshipping. Therefore, the cost savings for editorial pounds constitute the basis for the development of the proposed incentives.

USPS-T-1, at 14, lines 13-20

- d. Please see my response to part (c) above. This proposal is attempting to address this issue with respect to decisions to co-palletize and dropship high-editorial publications..
- e. Since the economic decisions that I referred to relate to dropshipping the mail at the DADC, DSCF and DDU, I do not believe that these economic decisions are completely distorted regarding the entry of advertising pounds. Regarding the dropshipment of editorial pounds, I believe that the incentives which reflect the Postal Service's cost

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information were lacking. Our proposal in this docket moves toward a greater consideration of this issue. This proposal is designed to create better signals for economic decisions by certain mailers regarding dropshipping.

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TW/USPS-T1-21. On page 16 of your testimony, beginning on line 21, you say:
“Using a 100 percent passthrough of the cost savings would mean providing discount levels that are inappropriately high relative to the base rate.”

a. Please explain whether you mean that the base rate minus the discount would result in a negative pound rate for the editorial pounds.

b. Suppose the base postage for a publication is 25 cents, including all piece and pound rates. Now assume this publication dropships and the Postal Service saves 30 cents in transportation costs and 8 cents in non-transportation costs. (1) Do you agree that if 100 percent of the transportation savings were given as a discount, the final postage paid by the mailers would be negative 5 cents? That is, the Postal Service would pay the mailer 5 cents for each piece submitted. Explain any disagreement. (2) Do you agree that for each piece that is both dropshipped and given 5 cents, the Postal Service comes out 8 cents ahead financially? Explain any disagreement. (3) In the general case, please explain why the Postal Service would be opposed to a rate arrangement under which it gained 8 cents for each participating (or cooperating) piece. (4) Please explain in general the nature of the conditions that must exist for rate arrangements involving negative rates to benefit the Postal Service.

RESPONSE:

- a. Yes. Given the current rate structure and the proposed discount, a 100 percent passthrough would result in a negative pound rate for the editorial pounds. That is why the Postal Service is not proposing a 100 percent passthrough.
- b. The hypothetical in this question presents a logical anomaly. Processing and delivery of mail is not costless, so the Postal Service cannot pay mailers when it incurs those costs. Moreover, the subparts of this interrogatory raise questions about an unprecedented, permanent and wide ranging approach to ratemaking whose ramifications for Periodicals – let alone other classes – are well beyond the scope of the limited expansion of an experiment now being considered.

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TW/USPS-T1-22. Under your proposal, the mailer (or agent) would have to both create the co-pallet and dropship the co-pallet to get the proposed discount. Relative, then, to the possibility of providing a discount for co-pallets entered at the origin office, your proposal involves bundling two separate activities, a co-palletization activity and a dropship activity. Without doing both, no discount is available, even though both cause savings. Please explain the justification for bundling these two activities together instead of offering separate discounts and explain how your proposal aligns with the economic literature suggesting that it is inefficient and inconsistent with the notion of lowest combined cost to bundle separate activities.

RESPONSE:

This bundling of co-palletization and dropshipment was recommended by the Commission and approved by the Postal Service Governors in the current co-palletization experiment, Docket No. MC2002-3. Our proposal in this docket simply seeks an extension of the current experiment. While the existing Periodicals classification schedule contains examples that combine dropshipment with co-palletization and with palletization, and that offer palletization and dropshipment separately, the model for co-palletization which this experiment seeks to expand has them combined.

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TW/USPS-T1-23. Please refer to your response to interrogatory ABM/USPS-T1-21. Please explain the use of the term "Transfer Hub" in USPS terminology and its application to Periodicals mail. In particular, please answer the following.

- a. Do the "Transfer Hubs" you refer to function as such only for Periodicals, or do they perform similar functions for other mail classes? If so, which other classes?
- b. How many Transfer Hubs for Periodicals mail are there currently?
- c. How many of the current Periodicals Transfer Hubs are: (1) a BMC; (2) an ASF; (3) an annex to a BMC or ASF; or (4) another type of facility adjacent to a BMC or ASF?
- d. How many of the current Periodicals Transfer Hubs are also designated as a Periodicals ADC?
- e. How many of the current Periodicals Transfer Hubs do at this time accept entry by mailers of at least some Periodicals mail?
- f. Please provide a list of the current Periodicals Transfer Hubs.
- g. How many BMC/ASF's do currently accept entry of at least some outgoing Periodicals mail, either at the BMC/ASF itself or through an adjacent (Annex) facility?
- h. How many BMC/ASF's do currently accept entry of at least some incoming Periodicals mail, either at the BMC/ASF itself or through an adjacent (Annex) facility?

RESPONSE:

The term "transfer hub" as used in the Postal Service response to interrogatory ABM/USPS-T1-21 refers to no specific group of Postal Service facilities designated as "Transfer Hubs". Rather, it is used in a general manner, for responding to the question posed, to describe facilities that are part of the Postal Service's internal logistics network for moving Periodicals mail from one part of the country to another. In the past, the Postal Service had an internal list of "Transfer Hubs" that it shared with Periodicals mailers from time to time. These were primarily BMCs and SCFs used as transfer points for palletized Periodicals mail. However, although some people may still use the outdated terminology to describe facilities where Periodicals containers are

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"transferred", the term "Transfer Hub" is obsolete and no longer used as an official Postal Service designation within the logistics network. In fact, there are no DMM references to transfer hubs under any standards that pertain to drop shipment.

a. Please see the above response regarding the reference to "transfer hubs" in the Postal Service response to interrogatory ABM/USPS-T1-21. The facility referred to in Van Nuys, CA is essentially a truck terminal for the transfer of containers used for Periodicals, as well as other classes of mail that rely upon surface transportation (e.g., Standard Mail, Package Services, some First-Class Mail). Such surface transportation hubs are not designed for interactions involving customers.

b-f. Please see part (a) above

g. All ASFs are also designated as ADCs/SCFs and, as such, are designed and staffed to accept some outgoing Periodicals mail. Origin-entry outgoing Periodicals mailings are not accepted at BMCs.

h. All ASFs are also designated as ADCs/SCFs and, as such, are designed and staffed to accept incoming Periodicals mail. For mailer "convenience", 17 BMCs accept incoming (non-working) pallets of dropshipped Periodicals.

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TW/USPS-T1-24. TW/USPS-T1-24 Please refer to your response to interrogatory
ABM/USPS-T1-20.

- a. At which physical location should a mailer dropship Periodicals pallets destined for ADC LOS ANGELES CA 900 in order to qualify for dropship discounts?
- b. At which physical location should a mailer dropship Periodicals pallets destined for ADC TWIN VALLEY CA 90197 in order to qualify for dropship discounts?
- c. At which physical location should a mailer dropship Periodicals pallets destined for ADC SEQUOIA CA 90198 in order to qualify for dropship discounts?

RESPONSE:

- a. My understanding is that pallets destined for ADC LOS ANGELES 900 (includes mail destined for ZIP Codes 900 and 901) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts. This mail would also qualify for the DSCF discount because SCF LOS ANGELES 900 also includes mail destined for ZIP Codes 900 and 901.
- b. My understanding is that pallets destined for ADC TWIN VALLEY CA 90197 (includes mail destined for ZIP Codes 902-908, 910-918) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts.
- c. My understanding is that pallets destined for ADC SEQUOIA CA 90198 (includes mail destined for ZIP Codes 922-928, 930-935) should be entered at the Los Angeles General Mail Center, 7001 S Central Avenue, Los Angeles, CA, 90052 to be eligible for the DADC dropshipped discounts.

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TW/USPS-T1-25. Please refer to your testimony's reference to "more fundamental change in the current rate structure" (p. 5, line 16) and to your answer to TW/USPS-T1-14, where you say in response to parts "c" and "d" respectively: "I am confident that the Postal Service will continue, in some form or another, to advocate providing *incentives for small publications* to combine their mail and enter it on pallets at an ADC or SCF" (emphasis supplied); and "I would expect that any future Postal Service proposals would be consistent with the objectives embodied in the current proposal, namely to make it *more likely that smaller mailers* would combine their mailings to achieve palletization and dropshipment." (emphasis supplied)

a. Do these statements mean that you are confident that the incentives advocated for "small publications to combine their mail and enter it on pallets at an ADC or SCF" will be greater than any corresponding incentives for large publications to prepare pallets of similar postal cost incurrence and enter them at ADCs or SCFs? If not, please explain clearly what they do mean.

b. When you say that "any future Postal Service proposals would be consistent with the objective[] . . . [of making] it more likely that small mailers would combine their mailings to achieve palletization and dropshipment," do you mean more likely with incentives than without incentives, or more likely than large mailers, or more likely than something else? Explain.

c. Are you suggesting that small mailers should and will be singled out by applying some sort of arbitrary boundary (possibly focusing on their mailed circulation or their density) and given incentives beyond cost avoidances to prepare mail in ways specified by the Postal Service? If not, please explain what you do mean.

d. Do you believe that it would be fair to give small mailers cost-based signals and then to allow them to choose what is best for them?

e. This part focuses on the discounts proposed in Dockets No. MC2002-3 and MC2004-1. The references to cost savings are to cost differences and should not be interpreted as influenced by whether some mailers are already performing a specific worksharing activity.

(1) Do you agree that the savings behind the discounts proposed in MC2002-3 and MC2004-1 exist for considerable volumes of palletized and dropshipped mail that are *not* eligible for the discounts (i.e., both MC2002-3-type savings and MC2004-1-type savings would seem to exist for all pallets entered at a DSCF, though the discounts are available only to certain co-palletized entries, understanding of course that no mailer can claim both discounts)? Explain any disagreement.

(2) Leaving aside the question of whether any discrimination involved might be undue or unjustifiable, do you agree then that the discounts of MC2002-3 and MC2004-1 *discriminate* against these considerable volumes of palletized and dropshipped mail that

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do not qualify for the discounts? In this case discrimination means that the savings exist for both groups but only one group gets the discount. Explain any disagreement.

(3) Is this a kind of discrimination (in this case substantially between large and small mailers) that you would expect to see, in one form or another, in any future Periodicals rate proposals of the Postal Service? Explain.

f. As a reference point, consider the possibility of a cost-based rate structure in which the rates are based on mailings' costs through general recognition of containerization, presort, bundle makeup, and entry point, including associated interactions, with zoned pound rates applying to the publications' full weight. As one example of this kind of structure, see the proffered proposal of Time Warner et al. in Docket No. MC2004-1 [sic]. Within such a rate structure:

(1) Do you see any cost-based opportunity to exclude considerable volumes of palletized and dropshipped mail from a discount that would be available to certain co-palletized mailings? If you do, please explain.

(2) Do you see for "small publications" any cost-based opportunity for incentives that would *not* exist as well for large publications? Explain.

g. This part focuses on the discounts of Docket No. MC2002-3.

(1) For the additional rate reductions (or discounts) of MC2002-3, do you agree that the cost basis focuses on unrecognized (i.e., not given to the mailer through the zoned advertising pound rates) savings for publications of average editorial content and therefore that high-advertising publications (receiving the co-pallet discount and a substantial discount on advertising pounds) receive rate reductions that are larger than the actual savings (i.e., the savings on the actual weight, except for an effect due to the 95 percent passthrough) and that high-editorial publications (receiving the copallet discount and a minuscule discount on advertising pounds) receive rate reductions that are smaller than the actual savings? Explain any disagreement.

(2) Do you agree that the structure described in part 1 discriminates against high-editorial publications and in favor of high-advertising publications? In this case, discrimination means that the high-advertising publications receive a larger discount relative to cost avoidance than the high-editorial publications. Explain any disagreement.

(3) Does the pattern of discounts in MC2002-3, as described in part 1, represent a kind of advertising vs. editorial treatment that you would expect to see in any future Periodicals rate proposals from the Postal Service? Explain.

h. Consider a co-pallet (or regular pallet) entered at an origin office, in a high zone, average in terms of its weight and its number of pieces.

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(1) Do you agree that all of the savings behind the 1-cent pallet discount of Docket No. R2001-1 exist for this co-pallet (or regular pallet) but that this co-pallet (or regular pallet) does not receive the 1-cent discount? Explain any disagreement.

(2) On this basis, then, do you agree that this co-pallet (or regular pallet) is discriminated against in the current rate structure, whether unduly or not being a separate question? That is, the savings exist for both the dropshipped and the non-dropshipped pallet, but only the dropshipped pallet gets the discount. Explain any disagreement.

(3) Is this a kind of discrimination against non-dropshipped pallets that you would expect to be part of any future Periodicals rate proposal of the Postal Service? Explain.

i. Consider *sacks* that would normally be entered at an origin office but that are dropshipped instead to a DSCF and that receive both the 0.8-cent per-piece discount and the per-pound discount on advertising.

(1) Do you agree that all of the dropship savings (or avoidances) behind the discounts of MC2002-3 and MC2004-1 exist for these sacks but that they are not eligible for the discounts? Explain any disagreement.

(2) On the basis that the savings occur but the discounts *are not* given, while for the co-pallets of these two cases the savings occur and the discounts *are* given, do you agree that these sacks are discriminated against in the current and proposed rate structures, whether unduly or not being a separate question? Explain any disagreement.

j. Consider a mailer contemplating entering either sacks or co-pallets (or regular pallets) at an origin office, where the pieces on the pallets would receive the existing one-half-cent pallet discount.

(1) Do you agree that the one-half-cent discount is based on pallet savings occurring at the destination office and does not include any savings associated with handling pallets instead of sacks between the origin office and the destination office? Explain any disagreement.

(2) Do you agree that if the Postal Service, *ceteris paribus* (including the same postage, except for the one-half-cent discount), had a choice between handling the pallets and handling the sacks, in each case from the origin office to the destination office, it would prefer handling the pallets? Explain any disagreement.

(3) Do you agree that if the sacks were dropshipped instead of being entered at the origin office, the cost avoidance would be larger than that caused by dropshipping the pallets? Explain any disagreement.

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(4) Assuming the Postal Service to have a preference for handling pallets instead of sacks, as suggested in part 2, please explain the basis for offering special discounts for dropshipping the pallets, including as applicable (a) the discounts from MC2002-3 and MC2004-1 and (b) a decision to grant the otherwise-withheld one cent pallet discount (which is based on savings that occur whether or not the pallet is dropshipped), but not arranging any special discounts for dropshipping the sacks, when the savings for dropshipping the sacks is larger than the savings for dropshipping the pallets, as suggested in part 3. Note: it should be understood that both the sacked mail and the palletized mail would receive in equal amounts certain dropship discounts in the basic rate structure.

(5) Based on evidence of providing special discounts for pallets-but not-sacks to dropship, please explain an apparent Postal Service interest in biasing rates so that it has sacks-but-not-pallets on its trucks.

RESPONSE:

- a. My answer was formulated from the perspective and within the context of the current proceeding, where the Postal Service's principal objective is to establish incentives for smaller publishers to combine mail. I did not mean to suggest any conclusions about comparisons with larger mailers. These statements do not imply or mean that the future incentives for smaller publications would be greater than incentives for large publications.
- b. Please see my response to part (a) above. There would be incentives to encourage co-palletization is the gist of my statement. The only meaning that I am trying to convey in both statements referenced in your question is that we strive to provide consistent signals to smaller mailers. In this experimental docket, we are providing additional incentives for heavier, smaller, high-editorial publications, because we believe that otherwise this mail would not be palletized and dropshipped. There is no implication that future discounts would only apply to small mailers.

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- c. No. Please see my responses to parts (a) and (b) above.
- d. What might or might not be fair must be evaluated in a specific context. In the context of the Postal Service's proposal in this proceeding, I believe that giving mailers cost-based signals is one factor that makes rates fair.
- e. (1) The savings as expressed in this case are savings relative to the status quo. I agree that some mailers are already preparing their mail on pallets and dropshipping their mail. However, that is not the case for many small circulation, high editorial publications. This case is focused on changing their behavior, to create new cost savings.

(2) The Postal Service's proposal discriminates only in the sense that any classification discriminates, or differentiates, among types of mail or service. The current proposal is not attempting to overhaul the entire Periodicals rate design and thus does not rectify all perceived injustices in rate design. The current proposal was, as I explained in my response to ABM/USPS-T1-41(a), developed out of discussions with one mailer, and therefore targets a limited type of mail. The bigger goal in this docket, as well as in Docket No. MC2002-3, was to test incentives to improve preparation and dropshipment that would ultimately reduce Periodicals costs. We believed then, as we do now, that these experiments have a broader goal that would help the Periodicals class. In its Recommended Decision in Docket No. MC2002-3, the Commission indicated its approval of this Postal Service goal:

The Service will collect data pursuant to an expanded data collection plan and file related periodic reports during the course of the experiment. Analysis of these data, along with review of

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anticipated data on two recently-implemented pallet-based Periodicals discounts, will assist not only in determining the effectiveness of this experiment, but in assessing broader efforts to curb costs and the appropriate direction for future Periodicals rate policy and design.

This experiment focuses on an especially challenging aspect of cost control. The Periodicals intervenors' unanimous support for it builds on a tradition of cooperation with the Postal Service in exploring cost reduction opportunities. The experiment's success in logistical terms will rely to an unprecedented degree on cooperation among Periodicals mailers, printers and consolidators throughout the planning, production and distribution process. The Commission acknowledges the joint efforts that have gone into developing this proposal and the continuing commitment to cooperation that will be required throughout the experiment.

PRC Op., Docket No. MC2002-3, at 1 - 2.

(3) As stated in my response to TW/USPS-T1-14 (c), I cannot predict the nature of specific future pricing proposals for Periodicals. But, I did not intend to imply that distinctions between large and small mailers would be the foundation of future pricing proposals for Periodicals.

f. I have not studied the issues raised by Docket No. C2004-1 in any depth, so I have no basis for answering your specific questions directly.

(1) As I have repeatedly stated, the Postal Service's proposal in this proceeding is focused on a limited objective with regard to the behavior of smaller publications. In general, for a purely cost-based rate design such as you have described, one would have to consider the relative volumes of different mailers, including smaller mailers who could not qualify for the lower priced options. I would also note that the pricing criteria of the Postal Reorganization Act are not limited to cost-based decision-making.

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- (2) I believe that the Postal Service's proposal in this proceeding is reasonable, because the proposed incentives can reduce Periodicals costs relative to the status quo. Once again, the Postal Service's objectives in its proposal are not invalidated because they focus on the behavior of small publications.
- g. (1) I agree that in the example you provided, the rate reductions due to dropshipment for high-editorial publications are lower than the rate reductions for high-advertising publications. A key consideration this example fails to express is that the base postage for high-editorial publications is lower than the base postage for high-advertising publications, *ceteris paribus*.
- (2) I agree that the current rate structure treats high editorial and high advertising publications differently both in the calculation of overall postage and in providing incentives for dropshipment.
- (3) Please see my response to subpart (e)(3) above.
- h. The savings referred to in your question were in lieu of the dropship rates for editorial pounds that were proposed by the Postal Service in Docket No. R2001-1 (see my response to Presiding Officer's Information Request (POIR) Number 10, Question 1, part b in Docket No. R2001-1). Therefore, the primary justification for these savings was dropshipment of this mail. In this POIR response I further supported this discount through cost savings at the destination plant when mail is on pallets rather than sacks.
- (1) I disagree. The main justification for this discount was dropshipping, not palletization.

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(2) I disagree. See my response to part (1) above.

(3) Please see my response to subpart e(3) above.

i. Please see my response to interrogatory TW/USPS-T1-22 for the discussion of bundling palletization and dropshipment in both Docket No. MC2002-3 and the current docket. The idea behind our approach is very simple. One reason mailers are not able to dropship is that they do not have the density to make a pallet. If the Postal Service offers incentives to mailers to achieve the density by combining their mailing on pallets, dropshipping would become an easier choice. To ensure that this whole process would work, our eligibility requirements in both experiments require co-palletization and dropshipment. This requirement was especially important because the discounts were developed using transportation and to a degree non-transportation cost differences between the origin entry and destination ADC or SCF. The Docket No. MC2002-3 proposal was for a per-piece discount suitable for average advertising content publications. The special nature of high-editorial publications dictated the choice of discount structure in this docket.

(1) Yes.

(2) Yes. The goal was and is to move mail out of origin entered sacks onto destination entry pallets. Also, my understanding is that only a small portion of sacked mail is actually dropshipped. Most sacks are entered at the origin.

j. (1) Yes.

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(2) Yes, in most cases. The goal in this docket as well as in Docket No. MC2002-3 is not only to get mail out of sacks, but also to get it dropshipped. The goal is to avoid sacks both in transit and at the destination.

(3) Agreed. Currently our focus is twofold: palletization and dropshipment. See my response to part (i) above.

(4) (a) Please see my response to part (i) above.

(b) Please see my response to part (j) above.

(5) The Postal Service seeks to move mail out of origin-entered sacks onto destination-entered pallets. The Postal Service's proposals are not directed at keeping sacks on trucks. Please see my response to parts (i) and (j) above.

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TW/USPS-T1-26. Please see your response to ABM/USPS-T1-17, where you say:

"My reference to mail preparation in an 'efficient fashion' refers to mail preparation that lowers the costs imposed on the Postal Service, rather than the efficiency of the mailer's operations." See also your response to TW/USPS-T1-17, where you say: "The goal is to provide incentives for changing behavior that is costly both to the mailers and the Postal Service." In addition, note part "d" of the same interrogatory that asked: "If under the efficient component pricing rule a mailer decides to purchase a high-cost service instead of a low-cost service, do you know of any basis for concluding that this is an undesirable outcome?"

a. Would you agree that the Postal Service offers mailers a broad range of services and that it costs the Postal Service more to provide some of the services than to provide others? Explain any disagreement.

b. Consider two services offered. Service A involves accepting, processing, and delivering mail that is tendered on *pallets*, and providing it costs the Postal Service 15 cents per piece. Service B involves accepting, processing, and delivering mail that is tendered in *sacks*, and providing it costs the Postal Service 20 cents per piece.

(1) Please explain whether it is your contention that, because the cost of Service A is lower, mailers wishing to purchase Service A are preparing their mail in an "efficient fashion" and mailers wishing to purchase Service B are preparing their mail in an inefficient fashion.

(2) Under the conditions assumed in this question, would the Postal Service have an interest in discouraging mailers from purchasing Service B, because the Postal Service's costs of providing that service are higher?

(3) Can you think of any private firms that discourage customers from buying their higher-cost services, such as General Motors discouraging the purchase of automobiles that cost more, as might be the case for buyers wanting convertibles or extra features like traction control? If so, please discuss them as examples.

(4) If the purchasers of Service B are charged a rate that is based on the 20-cent cost, can you think of any reason for concluding that they are purchasing in an inefficient fashion or are doing something wrong, or that they should be discouraged from their purchasing?

(5) If the rates for Service A are based on the costs of Service A and the rates for Service B are based similarly on the costs of Service B, would it be your view that mailers should be permitted to choose freely which service they wish to purchase and that there is nothing wrong with purchasing Service B? Explain.

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(6) If the rates for Services A and B are based respectively on the costs of Services A and B, and the Postal Service breaks even, can you think of any reason why the Postal Service is better off with more of Service A and less of Service B? Explain.

(7) If the difference between Service A and Service B were that one is dropshipped and the other is not, or that one is presorted and the other is not, would your answers to any parts (accordingly adjusted) of this question change?

RESPONSE:

Before proceeding to answer these questions I would like to note that the proposal in this docket is not intended to overhaul the Periodicals pricing structure. Given the current rates and mailer behavior, this proposal seeks to bring about some additional changes in mailer behavior that would be beneficial for the mailers, including those who do not participate, and the Postal Service. There are longer term benefits for the Postal Service in removing sacks from its operating environment.

a. Yes.

b. (1) My contention is simply that given the current rate structure and mailer behavior, the Postal Service and Periodicals mailers would be better off if my proposal was implemented. This would allow high-editorial content, heavier weight, small-circulation publications an opportunity (such as the ones that Cadmus Communications and others can produce) to combine mail on pallets and dropship these pallets to a destination ADC or SCF. In the context of the current rate structure and mailer behavior, co-palletization and dropshipping are more efficient because they lower costs for the Postal Service, and therefore for Periodicals as a class.

(2) Yes. Given the context that I provided on page 2 of my testimony in Docket No. MC2002-3, I believe that the Postal Service has an interest in discouraging

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Service B and encouraging Service A. Here is part of the rationale for filing the first co-palletization case:

One of the key Periodicals issues in recent rate cases has been the need to control cost increases. The Postal Service employs worksharing incentives to encourage palletization and dropshipping, thus mitigating increases in processing costs. As of the base year in Docket No. R2001-1, about 69 percent of Periodicals mail was presented on pallets, and about 44 percent was dropshipped to destination facilities.

Even with worksharing incentives, Periodicals volume still includes a substantial amount of sacked, non-dropshipped mail. More importantly, this volume accounts for a disproportionate amount of Periodicals processing costs, primarily because the same amount of mail requires the handling of many more sacks than pallets.

Docket No. MC2002-3, USPS-T-1, at 2.

(3) My understanding is that, in general, private firms do not consider the ECSI value of the product that they provide, as the Postal Service does for Periodicals, and for other classes of mail. Moreover, they do not file rate or classification cases to change product offerings or prices. What I am suggesting is that this comparison with private firms is not appropriate. The Postal Service proposes price and classification changes in the context of its own almost unique circumstances.

(4) No. Once again I would note that our proposal promotes improved efficiency in the context of the existing Periodicals rate structure, with respect to co-palletization and dropshipment.

(5) Yes.

(6) In the context of the existing Periodicals rate structure and current customer behavior, I have provided a number of reasons why not just the Postal Service

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but also its Periodicals customers are better off with more of Service A and less of Service B. Please see my testimony, USPS-T-1, in Docket No. MC2002-3.

(7) Please see my response to subpart (6) above. Similar logic applies in all of these cases. Pricing and classification changes are not done in a vacuum. We usually start out with a rate structure in place.